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POST

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EGGED

MARGINAL COLUMN

By ZEEV LAQUEUR

THE history of the Republican Socialist "Ba'ath" party which has now emerged as the leading political force in Syria goes back to the late forties. This party came into being as the result of the fusion of two different factions. One (Ba'ath) was a group of students and earnest young intellectuals in Damascus, headed by Michael Aflaq; the other, centred in Homs and Hama, was led by a local boy, Akram Haurani. Aflaq, an educator and former Communist, put the stress on ideological principles and consequently never went very far in Levantine politics. Akram Haurani, on the other hand, is a brilliant speaker, organiser and political intriguer. He was never very much impeded in his career by close adherence to socialist or any other principles. Under Shishakly he forgot enough of his "leftist" ideas to become, as Minister of Defence, one of the pillars of the regime. He astutely realized that success in Syrian politics depended largely on close contact with the officer corps. Consequently, he concentrated his efforts on winning supporters in the army command. It was in effect the Syrian army intelligence, headed by Colonel Serraj, that brought his party in power in recent weeks.

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IN the 1954 elections the "Ba'ath" won some 16 seats, a substantial, though not decisive victory. Together with the Communists, they prevailed in a bye-election in Homs in autumn 1955. This attracted attention far out of proportion to its parliamentary significance and became a turning point in modern Syrian history. To the credit of the "Ba'ath" it should be mentioned that they have revealed far more understanding for social issues than the old established parties which are now on the way out. On the other hand, it can hardly be argued that their representatives in the last Sabri al Assali government (the Ministers of Foreign Affairs, Public Works and Economic Affairs respectively) revealed any revolutionary initiative. Probably more important than their radical social slogans which were presumably never meant very seriously, was their violent anti-Western and anti-Israel propaganda in which Akram Haurani excelled in particular, calling for a "revolutionary war" against Israel.

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IT is all very well to get the mob out into the street. But one cannot rule a country that way: especially one passing through a crisis like Syria. It is for this reason, the basic negativism of the "Ba'ath," its lack of a practical, constructive programme, that power is already slipping into the hands of their allies, the Syrian Communists. Some of the military commanders who used to support the "Ba'ath" have become Communists, and the "Ba'ath" as a whole has been infiltrated by the C.P. on all levels. Not that the Syrian Communists are less anti-Western or anti-Israel than Akram Haurani. Their newspaper "At-Talia" wrote on November 11, "Yes, it is necessary to liquidate Israel, once and for all. Is it imaginable that such a miserable country could still continue to exist? The Syrian army is ready to throw Israel into Hell and not leave a trace of her." Long live proletarian internationalism! But the Communists, in contrast to the "Ba'ath," have at least a practical economic programme, nor do they share Ba'ath illusions as to the feasibility of a democratic regime in Syria.

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THE satellization of Syria will probably continue, and Amman will follow in the wake of Damascus with or without King Hussein. But this premature emergence of Middle Eastern "Popular Democracies" has already caused concern in the other Arab countries. Colonel Nasser's cautious new pro-American orientation has much to do with the fact that his Arab allies are getting out of hand. But Nasser will not be able to persevere. He could loosen his dependence on the Soviet Union only if he would give up his big power dreams. In Moscow they know very well that he cannot afford to do that if he wants to remain in power, and he is expected, after some prodding, to be back in the fold soon.

London, December 30.

F.A.O. Expert Blasts Farm Subsidy Policy

By YA'ACOV ARDON,
Jerusalem Post Reporter

HAIFA, Monday. — Some 14,000 tons of vegetables were purchased by the Government Minimum Price Fund and destroyed during the past six months to avoid a glut on the market and to protect the farmer from the effects of overproduction, Dr. A. G. Black, representative of the U.N.'s Food and Agricultural Organization in Israel, said at the Technion last night. His subject was "Subsidies in Agriculture" in a symposium on public subsidies organized by the Technion and the Israel Political Science Association.

The Minimum Price Fund, Dr. Black explained, derives two-thirds of its revenue from "taxes" on vegetables and one third is contributed by the government. Whenever possible, the surplus produce is sold at a lower price to canners or sometimes in *ma'barot*, but much is dumped or fed to livestock.

"Recently the rather absurd situation developed in which vegetables were being purchased and dumped by the Minimum Price Fund, while at the same time prices were fixed at a low level in order to influence the c.o.l. index and additional subsidies were being paid to producers to compensate for the low fixed market price," Dr. Black said.

If lower prices were desired, why was not the surplus released into the market, thus forcing prices down through the free play of supply and demand? he asked. Certainly, the public would have been better off by having a number of tons of vegetables more to consume.

Moreover, as a subsidy was already being paid to increase farmers' income, the Government could at least have been spared the necessity of buying vegetables to be dumped. It is difficult to find a rational answer to these questions, although perhaps it is

(Continued on Page 2 Col. 5)

Farm Station Starts Work on Isotopes

Jerusalem Post Reporter

REHOVOT, Monday. — The Agricultural Research Station here will start research into radioactive isotopes for their use in agriculture, and planning in the use of the isotopes has already started, Dr. Ya'acov Peleg, Director of the Station, told *The Jerusalem Post* today.

A cadre of a dozen young research students will be specially trained to enable them to use the expensive materials efficiently and to gain an expert knowledge on the use of the equipment. A course for these cadres will be held at the Weizmann Institute.

The Research Station plans to set up a special isotopes unit to study their use in agriculture. A chemist or physicist acquainted with the use of atomic energy will head this Department.

Radiation would help grow larger and better plants, and also provide better protection against diseases. With the isotopes it would be easier to fight the Mediterranean fruit fly, Dr. Peleg said. Radiation preserves seeds longer, he said.

Dr. Peleg recently returned from an international congress on the use of atomic energy for peaceful ends held in Holland. Sixteen countries and six organizations took part.

Tel Avivians Enjoy New Year's Eve

Post Bureau

TEL AVIV, Monday. — Israelis tonight wined, dined and danced their way into 1957 at many public and private parties.

All Tel Aviv and Herzliya luxury hotels, except the Accadia, reported record bookings for their dinner, dance and breakfast programmes. The Dan and Ramat Aviv hotels were both "full up" with over 300 guests each. Both are favourites with the diplomatic corps and other foreigners, but there were very few tourists. More than half the guests were Israelis. Both hotels charged IL15 per head.

Herzliya's Sharon and Tadmor hotels had nearly 200 guests each. The former attracted a maturer public, while the "younger set" filled the Tadmor Topaz Bar. At the Sharon, an enlarged orchestra played in the Sharon Ballroom. The all-inclusive price here was IL20, which included as much food and drink as one cared to consume, and also a 4 a.m. breakfast. The Tadmor charged IL18 and provided the special "television" attraction of Frankie [illegible] and [illegible], who have just returned from the U.S. where they represented Israel in the "Amateur Hour" television programme.

The smaller hotels did not arrange parties this year, but private gatherings were held in a great many homes.

All ships in the Tel Aviv, Jaffa and Haifa Ports sounded their horns at the stroke of 12 to wish citizens a bon voyage through 1957.

Charged with Attack On 'Mona Lisa'

PARIS, Monday (Reuter). — Hugo Unjaga Villegas, 42-year-old Bolivian, accused of throwing a stone at the Mona Lisa portrait in the Louvre Museum, was charged today with "degradation of an object of public utility."

Villegas was detained in the Louvre Museum last night. Police said that, when questioned, he said he could not explain why he had thrown the stone at the famous painting. The stone broke the glass of the picture and chipped about a centimetre of paint off Mona Lisa's left elbow.

An official of the Secretariat of State for Arts and Letters said that the damage could be easily repaired, and added, "The picture will be back in its place in a few days."

B-G: My Duty To Work with France

The Prime Minister told the Knesset yesterday that he has considered it his duty to increase co-operation between France and Israel. As a result of such cooperation, he said, the Egyptian dictator has been prevented from carrying out his designs to annihilate Israel.

But Mr. Ben-Gurion, who was answering a question by Mr. Meir Ya'ari (Mapam), stated that no negotiations have been or are being conducted for an alliance with France or with any other country. As for our relations with France, "we are content with the effective co-operation and mutual friendship between Israel and France."

Mr. Ya'ari had asked whether, in view of the statement of the leader of the French Socialist delegation, Senator Pierre Commin, negotiations were taking place with France looking towards an alliance between the two countries.

The Prime Minister replied that Mr. Ya'ari's reference to Senator Commin's statement was based on "distortions and fabrications" published in "Al Hamishmar" and partly in other papers on December 24. The shorthand report of M. Commin's statement contained no mention of negotiations for a Franco-Israel alliance, neither between France and Israel alone nor within a wider European framework.

"There was no need for 'Al Hamishmar' to be so hasty in publishing an editorial demanding "an end to secret diplomacy," Mr. Ben-Gurion said. While I see nothing wrong in an alliance between Israel and France, or any other country with which Israel should see fit to conclude an alliance, I have not found in M. Commin's statement one word or even a hint of an alliance, either secret or open, within a limited or a wider framework."

What Commin Said

Mr. Ben-Gurion quoted M. Commin as having said: "As Socialists and as Frenchmen we hope that this visit will strengthen the solidarity and the ties of friendship between our two nations, our two parties and our two governments. All the conversations we have held with the most important personalities in Israel have strengthened our convictions that the possibilities for co-operation and for community of interests between us in all spheres, political, economic and cultural, are very great.

"We are convinced that France must assist with all her strength in the achievement of a general and final settlement of the problem of relations between Israel and the other Arab countries — that is to say an absolute and final solution which would guarantee its frontiers and ensure the security and territorial integrity of Israel as well as including an international settlement of the Arab refugee problem.

"Israel rule in the Gaza Strip raises the possibility of a new approach towards a solution of the refugee problem by the U.N., but it seems to us a matter of course that a preliminary condition for such a solution is the rejection of the restoration of Egyptian military domination in this part of Israel's territory...

"There are many possibilities of economic co-operation between Israel and France in accordance with their joint interests. In the cultural sphere, too, France must make a great effort."

Grateful to France

Mr. Ben-Gurion said he was glad to confirm M. Commin's statement that there is co-operation between ourselves and France. "As the Prime Minister of Israel, I have considered it my duty to increase this co-operation; as a result of it the Egyptian dictator has been prevented from carrying out his designs to annihilate Israel. I am certain that the whole Jewish people will be grateful to France for her assistance to Israel in this fateful year."

In reply to Mr. Ya'ari's specific questions, the Prime Minister said: "No negotiations for an alliance have been or are being conducted neither with France nor with any other country, although we have the full right to conduct such negotiations. On the present subject, we are content with the effective co-operation and mutual friendship between Israel and France."

"I must point out that the conclusion of an alliance — if we were doing so — would not constitute any infringement of the State of Israel's sovereignty and independence as, to my surprise, is implied by the questioner's words. A sovereign and independent state is free to conclude an alliance with another state if it deems it necessary to do so, and no sensible man will see in an alliance between two peoples an infringement of the sovereignty and independence of one of the allied states, as the honourable questioner seems to think."

Unanimous Support for Nazi Victims' Pensions Bill

Jerusalem Post Knesset Reporter

The Knesset yesterday unanimously passed the first reading of a Bill on Persons Disabled in Nazi Concentration Camps.

The bill stems from the Reparations Agreement with the West German Government in which it was agreed that, in view of the Reparations payments being made to Israel, residents of Israel would not be entitled to benefit from the Bonn Pension Law for Nazi Victims. Israel thus accepted the responsibility for paying such pensions itself.

The Minister of Finance, Mr. Levi Eshkol, who presented the bill, said that estimates of the number of persons affected range from 1,500 to 7,000. Should the actual number be 3,000, with an average invalidity of 60%, the cost will be IL2m. a year.

The bill defines a disabled person as one who was invalided in the course of detention during the period September 1, 1939 and August 31, 1945, in a closed place, as defined in the Law for the Punishment of Nazis.

Pensions will be paid only if the applicant meets the following qualifications:

(1) On January 1, 1947 he was not a German citizen and was not within the territory of the Bonn Republic;

(2) He came to Israel before October 1, 1953, and on and after April 1, 1956 was a citizen and a resident of Israel;

(3) His percentage of disability is not less than 25%.

(4) He did not receive and is not entitled to receive any pension or other compensation for his disability from any other source.

The amount of the pension will be 420 pruta for each percentage of disability, plus cost-of-living allowance. As of July, 1956, the c-o-l allowance will be [illegible] pruta per percentage of disability.

The pension is to be paid monthly for a period of 12 years beginning April 1, 1956.

An invalid who lives at a public institution free of charge will have the amount of his pension reduced by 75 per cent.

The pension will not be paid during any period that the disabled person is outside of Israel for more than six months, unless it is for medical treatment.

Provision is made for lump-sum payments with the agreement of the invalid and the competent authority. The right to pensions cannot be passed on to one's heirs.

The amount of the pension is in no way dependent on the invalid's income from other pensions.

Seek Liberality

The 13 speakers who participated in the debate were all in favour of the bill, but they were unanimous in asking that its provisions be made more liberal.

The first speaker, Mr. H. Mintz (Poalei Agudat Yisrael) who presented a motion for the agenda on the subject early in 1956, proposed that the pensions be paid for life, that they be retroactive to the time the disability was incurred, that the minimum disability be reduced to 20 per cent, that the rate be raised to 500 pruta per percentage of disability, that the pension be increased if there are dependents, that the period of eligibility not be restricted to the period of World War II, and that the place of eligibility not be restricted to concentration camps.

All the other participants spoke in a similar vein, although the particular "inadequacy" of the bill stressed varied from speaker to speaker.

Mr. Y. Riftin (Mapam) said there was no excuse for the long delay in the presentation of the bill, and Mr. Idov Cohen (Progressive) wondered what would be the fate of those Jews who now receive pensions in other countries, if they should settle in Israel.

Spanish Underground Wrecks Franco Statue

PARIS, Monday (UP). — An underground Spanish group claimed here last night that its members were responsible for blowing up the victory statue in the General Franco Avenue in Barcelona yesterday.

The group, which gave its name as "The Catalonia Resistance" sent special delivery letters to press organizations here saying the bombing of the statue was their first direct action.

"A monument erected in Barcelona by the Spanish enemy, humiliating for Catalonia in its meaning, has been destroyed, was the heading to the letters.

Constable Killed In IRA Attack on Police

DERRYLIN, Northern Ireland, Monday (Reuter). — A 30 strong band of the outlawed Irish Republican Army bombed and machinegunned a police station here late last night, killing a constable.

The raiders, their faces blackened, surrounded the Royal Ulster Constabulary Building in a rainstorm. After a five-minute gun duel, the raiders made a complete getaway into the fog-shrouded countryside.

French Premier Vows Help For 'Valiant Israel'

PARIS, Monday (Reuter). — Premier Guy Mollet in a New Year message (broadcast by Kol Yisrael tonight) paid tribute to the "valiant people of Israel" and pledged them France's support.

He said, "You held firm despite the indifference of the U.N. and the excessive prudence of great powers which allowed violations of your rights to go unpunished."

In a reference to the Anglo-French intervention in Egypt, the Premier said, "Your people, like ours, knew that unless a halt was called to the ambitions of the dictator Nasser, world peace would have been endangered by a new Munich."

M. Mollet added, "Many difficulties remain but the evil has been laid bare. World opinion is convinced that there must be a peace settlement in the Middle East in conformity with right and justice.

"Israel can count on the support of France to obtain the peace for which she is waiting and which she deserves. May the new year bring you this peace with prosperity and happiness."

Cabinet Advises Missions Abroad

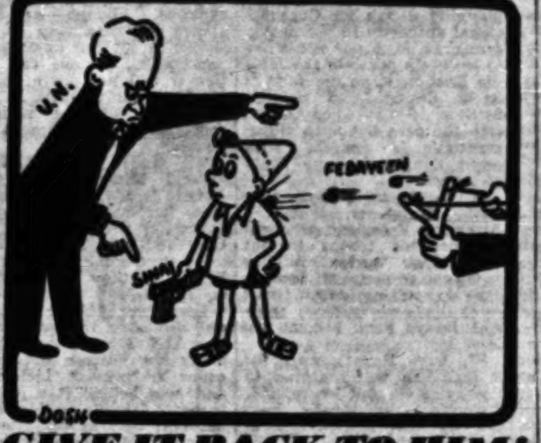
The Prime Minister, Mr. David Ben-Gurion, yesterday reported to a special meeting of the Cabinet on the Government's activities on the foreign scene, with particular attention to the U.S., the official communique stated. After a thorough discussion, it continued, the Government decided on instructions to be forwarded to diplomatic representations abroad.

The Cabinet also discussed the Ministry of Health budget.

STATE OF WAR IN S. SUMATRA

JAKARTA, Monday (Reuter). —The Government announced tonight that President Sukarno has proclaimed a state of war and siege over South Sumatra. Earlier, Lt.-Col. Ahmed Hussein, leader of the rebels in Central Sumatra, "warned" the central Government to halt its blockade of food supplies as the revolt entered its twelfth day.

In a broadcast last night, he declared, "When the central Government no longer pays attention to the wishes and aspirations of the people of Central Sumatra then the provincial administration is forced to take the helm into its own hands."



GIVE IT BACK TO HIM!

Dulles: U.S. Line Must Tally with UN

NEW YORK, Monday (UP). — Secretary of State John Foster Dulles said today that U.S. policy on the Middle East must "reinforce and fit into U.N. policies."

Mr. Dulles issued a brief statement on the new trend in U.S. Middle East policy after lunching with U.N. Secretary-General Dag Hammarskjold. They spent two hours together.

Mr. Dulles said it would be "helpful" to present the U.N. point of view to President Eisenhower in connection with the bi-partisan foreign policy meeting with Congressional leaders on New Year's day.

In a formal statement, Mr. Dulles referred to recent events in the Middle East which he said made it necessary that the U.S. should further develop its policies in relation to that area. Nothing in that respect had yet been finalized, his statement said, and many points of view would need to be considered.

The Secretary of State will return to Washington tomorrow.

Mr. Mordechai Kidron, the deputy chief of the Israel delegation, met Mr. Hammarskjold for one hour and 20 minutes before the Secretary-General conferred with Mr. Dulles. Earlier today, Mr. Dulles saw Sir Pierson Dixon, the British chief delegate.

It was also reported that Israel may submit a letter to the U.N. today protesting the renewed *fedayeen* activities.

20 Egyptians Said Killed in Riots

At least 20 persons were killed in Assuit, Upper Egypt, in clashes between secret police agents and the populace, Baghdad Radio reported yesterday. The situation in the town is still tense. The radio did not give the reason for the clashes.

Cairo Radio, meanwhile, countered with the news last night that student riots had occurred in Baghdad and southern Iraqi towns. Demonstrations were against the Nuri Said regime, and in the clashes 20 students and five police were injured, it was asserted. British troops were reported to have landed at Basra airport following the incidents.

Ship Robbed at Suez Arrives in Eilat

EILAT, Monday. — A Dutch refrigeration ship, the s.s. Fedala which had been intercepted by the Egyptians at Suez and her cargo confiscated some months ago, arrived this morning carrying a 300-ton cargo of canned meat and bone paste for agriculture. A group of Eilat citizens of Dutch origin will give a reception for the ship's crew. (Itim)

Lawson—B-G Talk On General Policy

The American Ambassador, Mr. Edward Lawson, met with Prime Minister Ben-Gurion at the latter's home in Jerusalem on Sunday evening. The reason for Mr. Lawson's special trip to Jerusalem at night was not disclosed, but it is known that the business for which he had come took a short time. It did not concern the new Eisenhower plan for the Middle East or the Dulles-Meir talks of last Friday.

Mr. Ben-Gurion and Mr. Lawson then spoke informally and in general terms of Israel's future. The conversation covered such topics as how Israel could best integrate herself into the Middle East.

It is understood that the U.S. is gradually relaxing the strict measures taken following the Sinai campaign against visits to Israel. In special cases persons are now being given passports to visit Israel. It is believed that a further relaxation will gradually take place during the next month or two.

CAIRO HANDS OVER MOORHOUSE'S BODY

PORT SAID, Monday (UP). — Egyptian authorities today delivered the body of kidnapped British Army Lieutenant Anthony Moorhouse to the U.N.E.F. Command here.

Gaza Egyptians to Be Sent Home

TEL AVIV, Monday.—The families of Egyptian citizens stranded in the Gaza Strip will be repatriated as soon as transport is found, it was reliably learned here today. The Egyptian authorities have agreed to take 77 women and 194 children as well as six invalids and five aged persons. The Red Cross will arrange their departure which is expected to take place by the end of the week.

The Israel offer to repatriate Egyptian civilians from the Gaza Strip was made some 10 days ago. It is understood that it crossed an Egyptian suggestion to that effect.

There is still no answer from Cairo to the Israel suggestion to exchange prisoners of war. There are [illegible] Egyptians in Israel prison camps, 5,501 of whom were rounded-up during the Sinai campaign. The others are those taken in retaliation raids last year, and an airman grounded in the Negev a year ago. The Egyptians have admitted to holding four POW's. Three were taken in various border incidents, while only one, the Air Force pilot Segen Yohanan [illegible], fell prisoner during the Sinai fighting. Israel authorities are still investigating the fate of three other missing soldiers.

The prisons camps in Israel are "much more than satisfactory," the Red Cross representative in the Middle East, Mr. L. Gulland, told foreign correspondents who visited one of the camps last week. Reports from Cairo indicate that the conditions in which the Israelis are held are "reasonable." However, no official confirmation to that effect was received through the Red Cross representative here.

Three weeks ago, the Israel authorities offered to repatriate 2,500 Egyptian soldiers unconditionally, but no reply was received from Cairo. Last week, Israel made another offer, suggesting an exchange of prisoners of war. In an *aide-memoire* sent to the International Red Cross, Israel proposed to exchange Egyptian officers against Israel officers held in Egypt, as well as NCO's against NCO's. This offer also met with no response.

Meanwhile, Dr. Gulland has sent [illegible] kilos of fruit to the Egyptian prisoners. The prisoners have also received a thousand letters from their relatives in Egypt. They have written 12,000 letters, but no confirmation has been received here as to whether they ever reached their destination.

No letters have reached this country from the Israel prisoners since September 29.

It is understood that the Israel authorities may stop the despatch of Egyptian prisoners' letters if Cairo prevents Israelis from writing home.

Mid-East Plan Shelving U.S. Military Reduction

To Reinforce M-E Navy Units

WASHINGTON, Monday (Reuter). — President Eisenhower's proposals which might commit the U.S. to use economic and military force against aggression in the Middle East are expected in authoritative sources here to lead to a cancellation of cuts planned in overall military manpower levels this year.

Defence Department officials said today that plans to trim the military forces by about 150,000 men were already on a "deferred" basis because of the impact of Middle East development in the last few weeks.

The President's proposal to ask Congress for stand-by authority to use troops if necessary to preserve Middle East peace might lead to some expansion of Marine and Navy units already assigned to the Middle East theatre.

The exact form of the authority to be requested by the President is not yet clear and will depend a great deal on the reaction of Congressional leaders at tomorrow's conference.

The reaction of some of the Democratic leaders has been cool but the Administration appears confident that Congress will agree to the President's plan to link a new programme of economic aid for the Middle East to a strong formal warning that the U.S. will be prepared to move in force into the area in the event of Soviet aggression.

Authoritative sources today described the President's thinking as follows:

- No new treaty arrangements are included in the Middle East plan. Full U.S. membership in the Baghdad Pact is ruled out, but it is felt that a clear statement of U.S. intentions will have as great a deterrent effect as a formal treaty link.

effect as a formal treaty link.

- The U.S. is already committed to take whatever constitutional measures it believes necessary in the event of an attack on Turkey, Persia, Iraq and Pakistan, its Baghdad Pact allies, but the President wanted to discuss the protection of other nations in the area with the Congressional leaders.

It was understood that the "Middle East doctrine" as it is becoming known, did not entail unilateral action by the U.S. to defend any nation which refused to accept outside help to resist an attack. This loophole appeared to be a weak point in the President's plan and one which was certain to be taken up by the Democratic leaders at the White House meeting tomorrow.

- On the other hand, the President believes that the proposed warning declaration will place the Middle East on virtually the same footing as Western Europe, Formosa and other areas.

Moscow: New U.S. Policy 'Mistake'

MOSCOW, Monday (UP). — Moscow Radio last night warned that the "Eisenhower Doctrine" is a serious mistake which would place the U.S. on the side of the Arabs' enemies.

In the first indication of what Soviet reaction may be, Moscow Radio cited Syrian papers as saying that President Eisenhower would make a "gross mistake if he sent armed forces into the Middle East in order to impose any kind of decision on the Arabs."

The broadcast said the "Eisenhower Doctrine" indicates the U.S. "wants to pursue an imperialistic policy based on interference in the internal affairs of free countries."

The broadcast was a sign that the Soviet Union is likely to interpret Mr. Eisenhower's statement on the Middle East as confirmation of Russia's view that the U.S. is embarking on a campaign to take over the British and French positions in the Middle East. This has been the theme of repeated comments in the Soviet press in recent weeks.

Soviet Said Arming Syria Intensively

PARIS, Monday (INA). — The "New York Herald-Tribune" reported today that the Soviet Union is intensively arming Syria. The story said that details learned from diplomats returning from Arab countries revealed that an agreement put Soviet technicians in actual command of the Syrian Army, Navy and Air Force, and these men are gradually removing Western influence over the Syrian armed forces.

The agreement, negotiated in Moscow between President Shukri Kuwatly of Syria and Russia, has been already carried out in connection with the shipment of military items. Material landed at Latakia port included 20 MIG-17 jet fighters, full equipment for an infantry division, 50 tanks, several scores of armoured cars (possibly up to 100) and complete equipment for three artillery regiments. Later the Soviets will send Syria a modern submarine and four motor torpedo boats.

The Russians are sending 250 technicians for the beginning. Some have been placed in direct command of carefully selected pilot-units of the Army, Navy, and Air Force.

The article said that the Russians want to be sure the equipment will not be wasted as in Egypt.

Also, Col. Serraj, the chief of the military clique, has organized a purge of pro-Western officers. This coincides with the leftist turn of the Syrian Government.

NO OIL FOR ISRAEL

MOSCOW, Monday (INA). — The Soviet Communist Party paper "Pravda" today denied that Russia is seeking to renew oil deliveries to Israel. Such reports in the Israel press, declared the paper, were "slanderous and provocative" having the intention of causing trouble between the Soviet Union and the Arab states.

Syria Warns U.S. On Unilateral Action

WASHINGTON, Monday (UP). — Syria warned the U.S. today against taking any "unilateral action" in the Middle East.

The Syrian Ambassador, Farid Zein e-Din, told reporters that he had made this statement to Assistant Secretary of State William Rountree in a 30-minute interview at the State Department today. He said that his Government feels the reported "Eisenhower doctrine" to keep Soviet influence out of the Middle East is similar to the proposals supported by British and French sources.

These aim at continuing colonial influence in the Middle East. "That is exactly the thing which causes instability and upheaval ... the continuation of such policies may become disastrous and no effective protection can be offered against them as long as they continue."

Zein e-Din claimed that there is neither subversion nor aggression threatening his country.

It was a fact, he said, that tensions in West Asia and North Africa were due primarily to colonial Zionist actions. "The so-called Soviet penetration of the Arab world is not real. It is an appearance to cover up the reality which is that there exists a pushing by colonial Zionist policy of the Arab East away from the West."

Assali Forms Gov't With Old Platform

Completing the formation of his new Syrian Coalition Government yesterday, Sabri Assali announced that his Government would follow the identical policy of his previous one, according to the Arab News Agency from Damascus.

Assali ended a 10-day crisis by picking a 10-man Cabinet, after he reportedly had once refused to continue with the task.

Assali said that his policy would be one of neutrality between East and West and would endeavour to achieve a more "harmonious rule" in internal affairs.

The Cabinet list: Premier and Acting Interior Minister, Sabri Assali; Foreign, Salah e-Din Bitar; Justice, Ma'moun Kusbari; Health, Ass'ad Haroun; Agriculture, Hamed Huja; Education, Hani Siba'i; Finance, Ass'ad Muhasen; Public Works, Fakher Kayali; Minister of State, Defence, Khaled el Azem.

Meanwhile, President Kuwatly will leave Damascus on January 6 for visits to Persia, Pakistan and India.

Jordan Accuses Israel Of Attack on Car

AMMAN, Monday (Reuter).— The Jordan Army spokesman charged today that two persons were gravely wounded and two others are missing following an attack by Israeli infiltrators on the Kalkilya-Habla road.

The car was allegedly attacked by machinegun fire and hand grenades. A fifth person, the driver, escaped unhurt, the spokesman said.

Israel Not Informed On Ike's Plan

Israel has no details of the new Eisenhower plan for the Middle East and, therefore, cannot offer any comment at present, the Foreign Ministry spokesman said in Jerusalem yesterday.

The spokesman also stated that no Israel officials had been empowered to declare that Israel would be prepared to station foreign troops on her territory, contrary to what has been reported in foreign newspapers.

U.S. Plane Crashes At Dharan, Many Dead

CHARLESTON, South Carolina (Reuter). — Charleston Air Force base reported today that one of its C-121 Superconstellations with 41 persons aboard crashed and burned last night shortly after taking off from Dharan, Saudi Arabia.

(Baghdad Radio reported that 20 persons were killed in the crash.)

Just appeared

THE GOVERNMENT YEAR-BOOK
5717 (1956)

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Social & Personal

The President yesterday sent a cable of congratulations to the newly-elected President of Switzerland, Dr. Hans Streuli.

Asher Koch, Jerusalem Engineer, Dead at 68

Asher Koch, veteran Jerusalem engineer, passed away yesterday afternoon at his home at the age of 68. He had suffered a stroke in the morning.

A former member of the Jerusalem Municipal Council and one-time head of the Water Department, Koch planned the water installations to Jerusalem 36 years ago.

The funeral will leave Ziv Hospital this afternoon at 2.30.

Mendes' Foreword For Hebrew Volume

Jerusalem Post Reporter

Former Premier Pierre Mendes-France has written a special foreword for the Hebrew edition of his book "Economics and Action" which is to be published under the auspices of the Israel National Commission for UNESCO. The co-author of the book is M. G. Ardant.

In his foreword M. Mendes-France lauds Israel's economic progress.

Another book to be published in Hebrew under the same auspices is Leon Roth's "Jewish Thought as a Factor in Civilization."

Grants for the translations have been given by UNESCO. They are expected to appear in about three months.

50% More Listings In New Phone Book

The number of telephone subscribers has risen by nearly 50 per cent to more than 35,000, since the last telephone directory was published in 1954, the Minister of Posts, Dr. Y. Burg, declared yesterday in announcing the appearance of a new directory.

The book is the first to be published in colours, with different tinted pages for each of the three main cities. Some 70,000 copies have been printed, the Minister declared.

Detailed information on person-to-person, collect and regular trunk calls is furnished by the directory. It also describes new services offered by the post office for doctors and pharmacists whereby they can leave a "message" with the exchange so that they may be reached by dial phone even when they are not at home.

H.U. to Print Texts

Jerusalem Post Reporter

The Students Duplicating Service of the Hebrew University, which until now duplicated its books and pamphlets, is to start printing them soon.

Yesterday it received a linotype machine, the gift of Mr. Joseph Wertheimer, of the U.S. An offset machine has been promised by another philanthropist in America.

However, pending the printing of its own books by students, the Service has decided to give several books out to commercial presses for publication. The first will be Dr. Victor Levotin's "Marriage and Divorce Abroad."

Last year, the Service had a turnover of IL65,000. Since its inception, it has printed 100,000 pamphlets and books. At present, it employs 50 students.

Cinemas

JERUSALEM

At 3.30, 6.30 and 8.30 p.m.

ARNON: Rock Pretty Baby.
EDEN: Forever Darling.
EDISON: Sheikh Tota.
ORGIL: Nightmare.
ORION: Safari.
ORNA: Now and Forever.
RON: The Sword and The Rose.
STUDIO: Calamity Jane.
TEL OR: "Le Guerisseur."
ZION: "Les Heros Sont Fatigues," 2nd week.

TEL AVIV

At 3.30, 7.15 and 9.15 p.m.

ALLENBY: All That Heaven Allows.
ARMON DAVID: "Continente Perduto."
CHEN: Autumn Leaves, 2nd week.
EDEN: Three 420. At 3, 6.15 and 9.15.
ESTHER: "Viva Las Vegas," 2nd week.
[illegible]: Those Who Dare, 3rd week.
MIGDALOR: Adam & Evelyn, 4th week.
MOGRABI: "Gambiah."
OPHIR: Rock Around The Clock.
ORION: The Man with the Golden Arm, 2nd week.
SDEROTH: The "I Don't Care" Girl.
TAMAR: The Courtesan of Babylon.
TCHELET: Cockleshell Heroes, 2nd week.
YARON: We're No Angels, 2nd week.
ZAMIR: "Cuore Ingrato."

HAIFA

MORIAH: It's Always Fair Weather.
MAY: Strategic Air Command, VistaVision.
ORION: Foreign Intrigue.
ATZMON: Guys and Dolls.
PEER: Awara.
GAL OR: Sweethearts On Parade. Matinee: Don Juan.
AMPHITHEATRE: A Tale of 2 Cities.
ORAH: The Living Desert, 2nd week.
ARMON: The Harder They Fall.
EN DOR: Flight to Tangier.
[illegible]

LAW REPORT

The Jerusalem Post January 1, 1957

In the Supreme Court Sitting As Court of Civil Appeals

Before Justices Silberg, Goitein and Witkon.

Yehuda Agam-Lavan, Appellant, v. Haifa Municipality Assessment Committee, Respondents. (C.A. 397/54)

Liability for Municipal Property Rate

The Supreme Court allowed an appeal against a judgment of the Haifa District Court delivered on November 5, 1954 (Motion 570-54).

A parcel of land in Haifa was leased to Yehuda Agam-Lavan by the owners, the Catholic Wakf, for a period of less than three years. There were various buildings on the parcel which the lessee improved and extended and then let out to sub-tenants. In 1954, he paid the Wakf IL41 rent a month, receiving rent of IL150 from his sub-tenants.

In that same year, the municipality assessment committee listed Mr. Agam-Lavan as the owner of the above parcel of land for the purposes of the property rate. This was done on the strength of the definition of "owner" in the Municipal Corporation Ordinance, as amended in 1952, which states that:—

"Owner includes a person receiving or entitled to receive income from any property, or who would receive income therefrom if it yielded any income, whether in his own right or as representative or trustee, and whether or not he is the registered owner of the property, and it also includes a lessee or sub-lessee who has rented the property for a period exceeding three years." (Authorised translation).

Mr. Agam-Lavan thereupon appealed to the Haifa District Court to have his name removed from the list. His appeal was rejected by the Court. Judge Winogradow agreeing with the assessment committee that they had freedom of choice as to whether to regard the registered owner of the parcel (the Wakf) as the owner for purposes of property rates or whether to regard the short-term lessee who receives an income from the property as the owner. Mr. Agam-Lavan appealed to the Supreme Court.

Mr. Ben-Ari appeared for the appellant and Mr. Tabor for the respondents.

Judgment

Justice Witkon, in delivering the judgment of the Supreme Court, said that the respondents had claimed that, in a case where there is a registered owner of property and a lessee who receives an income from it, then both are potential payers of the property rates and the assessment committee is free to choose on which one to levy this rate, the choice depending on which of the two receives the higher rent (and would therefore have to pay a higher rate). They had not claimed, however, that they were entitled to levy rates on both "owners"; so he would, therefore, not go into the question of whether it had been the intention of the legislator to levy rates on all those who fall within the definition of "owner" at one and the same time.

The only remaining question to be considered, Justice Witkon continued, is whether the duty to pay the business rate devolves upon the registered owner of the property to the exclusion of any others who fall within the definition of "owners." Justice Witkon discussed the respondents' Counsel's argument that the difference between the definition of "owner" in the 1952 amendment to the Ordinance and that of the 1946 amendment (which includes "reputed owner" in the definition of "owner") pointed to the conclusion that, whereas in the latter definition a person who receives profits from property, is regarded as the reputed owner only in the absence of any registered owner, in the former definition the person who receives profits from the property and the person who is registered as the owner are both "owners" for purposes of the business rate and both potential rate-payers, there being no order of priority.

While he agreed that the definition in the 1952 amendment differed radically from that in the 1946 amendment and, what is more, differed from other definitions of "owner" in other fiscal laws of the state, nevertheless Justice Witkon could not accept the respondents' argument that the legislator had merely stipulated a number of potential payers of the rate without laying down the order of priority. There is no doubt, he held, that an interpretation clause which extends the meaning of a term does not thereby detract from the ordinary, natural meaning of that term. The only purpose of such a clause is to indicate what may be comprehended within a term when the circumstances require that some meaning other than the natural one be given to it (see 1881, 7 Q.B.D. 502).

There is no escaping the fact, he continued, that in Israel not all property is registered and it is often difficult to trace the owners. Therefore the need arose to provide against such an eventuality by allowing municipalities to levy property rates on those who receive, or are entitled to receive, an income from such property, when there is no known owner. But this need does not detract from the rule that the obligation to pay these rates devolves first and foremost on the real owners, whether registered or not.

If, on the other hand, the respondents' theory were accepted, then it would mean that the task of choosing the rate-payer amongst the list of potential candidates would fall within the absolute and undefined discretion of the tax-collecting authorities which could exercise this discretion as arbitrarily as they choose and simplify their task by choosing the line of least resistance in each case. This was patently untenable.

In short, Justice Witkon held, when ratable property is registered in the name of the owners, then the property rate may not be levied on a lessee who derives an income from the property.

Appeal allowed with IL200 costs.

Judgment given on December 23, 1956.

Where to go

JERUSALEM

• **Exhibitions:—**

Permanent exhibition at the Department of Antiquities, 25 Rehov Shlomo Hamelekh. New rooms: Prehistory and Israelite period. Educational exhibit: How to arrange small local collections. Special exhibit: Finds from excavations in Jerusalem. 9-1, 3-5. (Fridays and eves of holidays 9-1; Saturdays and holidays, 10-1.)

Conquest of the Desert, Permanent Exhibition Daily from 10-1, 4-6. On Friday from 10-1 only, closed on Saturday.

Collective Exhibition of Paintings by Bacon, Gali Schreter, Sima Singer, Steinhardt, Silverwork by D.H. Gumbel. Nora Art Gallery, 9 Maimon Ave., 10-1, 3-6.

1) German Expressionist School. Selected Prints. 2) Iranian Ceramics 1500 B.C.—1500 A.D. 3) 20th Century Italian Artists. 4) Lithographs by Honoré Daumier. Exhibit of the Month, Door of an Imamzada (Shi'ite Shrine) Persia, Ispahan, 1258 A.D. (656 A.H.) Bezalel. 9-1, 2-5.

1) "The Bible as seen by Israel Children"; 2) Drawings by Japanese Children; 3) "Maskit" Applied Arts and Crafts, Artists House, 10-1, 3-6.

• **Reserve Officers Club: —** "The Mixed Armistice Commission," Mr. Y. Nursela of the Foreign Ministry.

• **Tours: —** Hebrew University conducted tour. Call 4253, 4077.

• **Revue: —** Redley's Ice Revue, New Hapoel Hall, Rehov Straus. 6.30 and 8.30

• **Theatre: —** Habimah, "I Like Mike." Edison, 9.

TEL AVIV

• **Music Appreciation Group: —** High quality recorded classical music with analysis, ZOA House, 8.15 p.m.

Italian specialities, lunch, dinner music. Luky's Bar, 3 Allenby Rd. Air conditioned.

• **Exhibitions: —** 1) Oil Paintings by Sioma Baram and Bela Brisel (Paris). 2) Contemporary Dutch Graphic Art. Group of Artists and sculptors. Museum. 10-1, 4-7.

• **University Graduates Club: —** Discussion "Our Attitude to the Arab Minority in Israel." Z.O.A. House, 8.30 p.m.

• **Theatre: —** Ohel, "5:5." 9. Habimah, "Black on White." Cameri, "You Never Can Tell." New Cameri Hall.

ASHKELON

• **Theatre: —** Cameri, "An Everyday Occurrence." Rahel.

HERZLIYA

• **Theatre: —** Ohel "It's Never Too Late."

ALLENBY CINEMA • TEL AVIV
"ALL THAT HEAVEN ALLOWS"
with
Jane Wyman ★ Rock Hudson

NEW ART GALLERY IN NORTH TEL AVIV

TEL AVIV, Monday.—With Saturday's opening of the "Little Gallery" at 99 Rehov Shlomo Hamelech, on the initiative of Mr. Alexander Blass, yet another art centre is available for Tel Aviv art lovers. The opening exhibition has as its motif, "The Child," and includes works by Ruth Shloss, Shmuel Tepler, Gershon Knispel, Moshe Gat, Avraham Braunstein, and Y. Bar-El.

ON THE AIR

FIRST PROGRAMME

427, 269, 33.1 & 48.9 M.

News: Hebrew: 6.35, 7.00, 7.58, 11.00 a.m. 1.30, 5.00, 7.00, 9.00, 11.00 p.m. English News: 11.10 a.m. 1.45 p.m. French: 11.15 a.m. 2.00 p.m. Arabic Programme (including News): 8.00 11.05 a.m. 2.15 and 4.00 p.m.

6.30 a.m. Service. 6.37 Exercises. 6.47 Musical Clock (R). 7.15 Melodies (R). 9.00 Religious Ceremony to the Catholic Community in Haifa.

12.00 Music at Noon — Andre Claveau (Vocalist). 12.30 Music for Two Pianos. 12.50 Housewife's Choice. 2.30 Close Down.

4.00 Light Music requests. 4.40 Vocal Recital by Mitai-Locker (Soprano). 5.05 Interlude. 5.10 Tora Lesson by Dr. N. Leibowitz. 5.30 Youth Corner. 7.15 We Present Tonight. 7.18 Ron-Ami. 7.35 "For Your Health." 7.45 "Looking Down from the Carmel." 8.10 Noah's Ark. 8.45 Talk. 8.55 Bible Reading — Shmuel B' — Chapter 20. 9.15 The Kol Yisrael Orchestra. Conductor: Georg Singer. Mozart: Symphony No. 27 in G, K. 199; Theodor Broder: Concerto for Strings (First Performance); Beethoven: Symphony No. 3 in E-flat-major, op. 55 ("Eroica"). 10.50 Interlude. 11.00 The Week in U.N. 11.35 Interlude. 12.00 Close Down.

SECOND PROGRAMME

497, 460, 225, 42.9 & 33.3 M. English News: 10.00 p.m.

IMMIGRANTS' HOUR: 1.45 "From Dan to Eilat." 2.15 Close Down.

5.30 Programme for Yemenites. 5.45 Hebrew Lesson for beginners. 6.00 Light Music. 7.00 Yiddish. 7.30 Ladino. 8.00 News in Easy Hebrew. 8.15 Turkish. 8.30 Rumanian. 8.45 Hungarian. 9.00 Interval. 9.30 French. 10.30 Close Down.

KOL ZION LAGOLA (33.3 M.): Programme to South Africa: 6.25 News: 6.35 "From the Federation." 6.45 The Kol Yisrael Orchestra, conducted by Georg Singer. 7.05 News in Yiddish.

Programme to U.K.: 11.30 News. 11.40 "On the Spot." 11.45 "Sweet Singers of Israel." 12.00 Easy Hebrew conversation. 12.15 "From East to West."

ARMY PROGRAMME (44.6, 216, 395 & 228 M.): 6.00 Opening. 6.02 Songs. 6.30 "Musical Key." 7.00 News. 7.10 "Evening Star." 7.30 "I have a query." 8.00 "The Soldier as a Civilian." 8.10 Noah's Ark. 8.45 Songs from Sinai. 9.00 News. 9.15 Dance Music. 10.00 Close Down.

B. B. C. HEBREW BROADCASTS: (36.73, 19.43, 16.96 and 25.15 M.): 6.30-7.00 p.m. News. News Talk. Jewish Commentary. The Edinburgh Festival.

Co-op Stores Turn To Self-Service

Jerusalem Post Reporter

HAIFA, Monday. — The Zarchania co-operative stores will start a month of publicity and improvement of services in January, spokesman of the society told the press yesterday.

The organization now has 1,200 branches (selling groceries, fish, meat and vegetables) in all parts of the country and employs 3,000 persons. The turnover for 1956 reached IL150m. For next year, 25 to 30 new shops are planned, and many stores will change to self-service which is claimed to have a great appeal to housewives. It cuts down 25 per cent in manpower and increases turnover while marking "the end of queues," according to the public relations director, Mr. E. Lifshitz.

The co-operative plans to invest IL750,000 in the introduction of self-service and other improvements in 1957.

There are already many self-service groceries in existence, three of them in Haifa and a fourth is to open shortly in Kiryat Haim. It has been proved that turnover per employee in a self-service store reaches IL4,000 per month, as against IL3,000 in an ordinary store.

During the next month, 700 meetings of consumers will be held, and seminaries for employees and a special magazine for housewives are planned. As from January, home delivery may be started for an extra charge.

Stricter 'Pork' Law Under Review in J'lem

Jerusalem Post Reporter

The Jerusalem Municipal Executive is at present studying its by-law regulating the sale of pork to see if it meets the requirements laid down in the recent Knesset decision authorizing local authorities to pass such by-laws.

Orthodox councillors are pressing for the adoption of a by-law which would completely ban the sale of pork in the capital. The present law, passed during the Kariv Administration, is much too liberal for the religious bloc since it permits the sale of pork under certain conditions.

These conditions provide that the Mayor may license a shop to sell pork in a "public place" or he can refuse to do so at his discretion.

It also provides that pigs may not be raised within the city limits, and all pork, even if sold in a licensed shop, may be confiscated if it does not bear the stamp of the Municipal slaughterhouse.

The by-law is unclear whether this means that pigs must be slaughtered in the Municipal slaughterhouse, or whether pork brought from outside the city must only be examined.

JORDAN INVITES SOVIET ATHLETES

Jordan has sent a delegation of sportsmen to Moscow to arrange for the visit of Russian athletic teams to Jordan this spring, "El Jihad" reported.

Yesterday's Press

'Ike Doctrine' Dangerous

Ha'aretz (non-party) writes that President Eisenhower's planning to ask for Congressional authority to use armed forces as he deems necessary to maintain peace in the Middle East may, on the face of it, be designed to prevent further Soviet penetration into the area but upon closer scrutiny is fraught with great danger for the State of Israel.

It stands to reason, continues the paper, that the American President, who will not use his troops to put down Arab border raids or *fedayeen* forays, will lose no time in putting down Israel retaliation when those raids and forays have become intolerable.

We have Egypt's word for it that she will continue to harass us without let-up, adds Ha'aretz; the Arabs have not concealed their determination to wipe Israel off the map. But we do not know yet what America thinks. We have even been told in Washington that we are using our complaint against *fedayeen* activities as a pretext for slowing down our withdrawal from Sinai.

In short, the paper concludes, everything points to America's desire to have us surrender all our bargaining counters and assume a position where we shall be attacked without being able to defend ourselves. The sad truth is that at the moment that is exactly what the U.S. wants of us. We can only hope that it will change its attitude.

Davar (Histadrut) notes that the Eisenhower-Dulles aims now seem to be to set up a new *cordon sanitaire* round the Middle East without bothering to see to the settlement of the painful problems throbbing within it. Washington's tendency to pay more attention and appreciation to Arab hostility to us than to Israel's repeated demands for security and border stability is unjustified not only morally but politically and militarily as well.

Forced Withdrawal

The security conditions brought about by the Sinai campaign cannot be ignored, Davar concludes: a formalistic, inflexible and mechanical policy of forced withdrawal is no substitute for a real security policy.

Hamodia (World Aguda) notes that the American undertaking to see to it that Egypt would honour the U.N. resolution as much as Israel has not materialized. Nasser is not ready to abolish his embargo; his *fedayeen* are in action against us and the American Government is continuing its policy of silence on the one hand and extreme pressure on Israel on the other.

A new plan for U.S. military intervention in the Middle East at the present juncture cannot but rouse grave concern in Israel, the paper explains. Though at first glance the plan may be designed to hold off Communist penetration, no one can say that it will not prove an instrument for pressure in the settlement of the region's problems against Israel's interests.

We cannot, writes Hatzofe (World Mizrahi), accept America's advice to Israel to close her eyes to the depredations of the *fedayeen*. The U.N. and the Powers must exert the same pressure on Egypt as they are exerting on Israel.

Lamerhav (Ahdut Ha'avoda) discusses the suggestion that U.N. forces be stationed along our eastern border in order to "prevent incidents" and sees behind it a plot to truncate Israel's borders even more as well as an attempt to introduce foreign forces on Israel's soil. Israel can defend herself quite well, says the paper. Let the interested parties apply to the Arabs to behave themselves and all will be well.

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German May Command NATO, Central Europe

BONN, Monday (Reuter). — The independent right-wing newspaper "Welt am Sonntag" reported yesterday that a West German general would be appointed commander-in-chief of NATO's land forces, Central Europe, in the spring of 1957.

This would put the German general in command of U.S., Canadian, French, Dutch, Belgian, British and Luxembourg forces.

The newspaper, quoting unspecified Allied sources, said the German general would succeed the French General Marcel Carpentier.

Ford Grants For H.U. Scientists

Uncommitted grants-in-aid have been made by the Ford Foundation to Dr. E. L. Guttmann, Professor of Social and Psychological Measurement at the Eliezer Kaplan School of Economics and Social Sciences — the Hebrew University, and Scientific Director of the Israel Institute of Applied Social Research, and Dr. S. Eisenstadt, Lecturer in Sociology at the School.

Such grants, of $4,500 each, have been made by the Foundation to a number of outstanding behavioural scientists in various countries, and their use is left entirely to the discretion of the recipients.

Prof. Guttman, who has already received a similar grant in the past, will use the major part of the funds for the further development of new approaches to the design and analysis of observations of complex sociological and psychological phenomena, while Dr. Eisenstadt will study the sociological aspects of comparative political systems. The projects are expected to take from two to three years to complete.

TWO SCHOLARSHIPS IN JEWISH STUDIES OPEN

The Hebrew University has announced that applications may be submitted for the Moritz and Charlotte Warburg Research Scholarships in Jewish Studies, of IL1,000 each, up to March 4, 1957.

Students of any branch of Jewish Studies under the age of thirty are eligible although priority will be given to candidates holding Ph.D. degrees from the Hebrew University. The scholarships are tenable for two years, beginning in October 1957, and under certain conditions will be extended for a third year.

Applications must be submitted on special forms, which are available on written request from the Secretary, Warburg Scholarships Committee, Academic Secretariat, Hebrew University, Jerusalem.

Subsidy Policy

(Continued from Page 1)

simply due to the fact that those in authority have no confidence in the market as a price determining mechanism, he declared.

It seems rather clear that this programme has now resulted in what may well become, if continued, a permanent surplus situation. Every week since last May, vegetables were bought by the Minimum Price Fund and dumped. In the first weeks the quantities were not large, about 25 to 50 tons per week, but increased rapidly in late June, reaching in late July and August almost 1,000 tons weekly. Dumping is now running at the rate of 450 to 500 tons per week, he added.

The cost to the Government has been a minor factor, "although it has run into hundreds of thousands of pounds," the speaker said. "The larger cost is the waste of resources: man labour; the land that could have been devoted to other purposes; the fertiliser; the insecticides; the wear and tear on machinery; the transporting of such quantities from the places where grown to market and then to the place where dumped; the efforts of those who handle the produce at the market; the working capital and, of most serious consequence, the water wasted on the growing of unwanted crops."

This surplus situation which threatens to become chronic is a result of certain maladjustments in development policy geared to settling more people on small farms than are needed for the raising of the kind of products that can be produced on that type of unit, which forms the bulk of the farms of the country, Dr. Black charged. These types are rather inflexible due to the small size of the unit — which by its nature can best produce products now in surplus in an effort to maintain a preconceived standard of living. This has resulted in ever-increasing subsidies forming an important and "permanent" source of family income.

Dr. Black quoted the following percentages of market prices covered by Government subsidies during 1954-55: groundnuts 11.5; potatoes 22.6; truck vegetables 8.2; bananas 12.9; milk 17.3; beef cattle 4.7; and eggs 9.3. For 1956 the magnitude of subsidies could not be estimated. While some had been eliminated, the subsidy on milk was running at a rate of about IL8.5m., as compared with IL5.9m. in 1954-55.

Subsidies, Dr. Black warned, lose their effectiveness in direct proportion to the degree to which they become general. Furthermore, as subsidies are applied more widely in other branches of the economy, their value in agriculture becomes less.

No subsidy should be permitted to become an integral part of the income for such an extended period that producers look upon its continuance as a "right" and eventually establish a vested interest extremely difficult to eliminate, Dr. Black added.

A-Men, Soccer Star Get U.K. Honours

LONDON, Monday (Reuter). — Queen Elizabeth today bestowed New Year honours on hundreds of her subjects, ranging from top Atom scientists to England's greatest soccer star, Stanley Matthews.

The tenth Honours List of the reign contains nearly 2,000 names selected from the United Kingdom, the Commonwealth and the colonies.

There are two new barons and 32 knights bachelor. But probably the most glamourous section to the British public is that entitling a long list of people to put the initials CBE (Commander of the British Empire) after their names. This includes London society photographer, Cecil Beaton, Commander Leonard Burt who, as head of Scotland Yard's Special Branch is the nation's top spy-catcher, Donald Campbell, the world's water speed record holder, and Stanley Matthews, who is still winning international soccer matches for England though he will be 42 next month.

One new baron is Sir Edward Bridges, until recently Permanent Secretary to the Treasury and head of the British civil service. The other is Sir Robert Sinclair, pipe-smoking chairman of the Imperial Tobacco Company.

A lesser award — the OBE (Officer of the British Empire) — goes in the current list to Dr. Richard Doll, scientist who shocked smokers in 1950 with research statistics which he claimed proved that smoking causes lung cancer.

Britain's leading Atom scientist and Director of the Atomic Energy Research Establishment at Harwell, Sir John Cockroft, is admitted to the exclusive Order of Merit which is confined to 24 members.

Sir Christopher Hinton, in charge of Britain's fast-growing industrial atomic energy development, becomes a Knight Commander of the British Empire (KBE).

Other awards are — Sir Pierson Dixon (G.C.M.G.-Knight Grand Cross Order of St. Michael and St. George) Britain's Permanent Representative to the United Nations. George Edwards (Knight) designer of the Viscount turbo-prop airliner.

Edward Hulton (Knight) — magazine publisher whose "Picture Post" is one of Britain's most widely-sold weeklies.

Dr Charles Percy Snow (Knight) scientist who became a top novelist.

Richard Church (C.B.E.), poet and novelist.

Basil Cameron (C.B.E.) one of Britain's top orchestral conductors. Robert Morley (C.B.E.) stage and film actor.

Jordan Rejects Seven More Xmas Pilgrims

The Jordanian authorities yesterday rejected the applications of another seven Israel pilgrims who asked to cross over into Jordan to take part in the January 6 Christmas celebrations in the Old City and Bethlehem. This brings to 49 the number of those rejected.

The Jordanians have reversed their former stand of refusing entrance to members of the local Russian community. This year, with two exceptions, any member of this community requesting to cross over has been accepted.

About 1,500 prospective pilgrims have registered with the Israel authorities, but the actual number making the crossing is expected to be lower.

Office Manager
female, experience in Israel and abroad, perfect Hebrew, English, German, knowledge of French, wishes to change position.
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At the Cinema

"SAFARI" (Orion, Jerusalem) craftily combines Hemingwayan motives with Mau Mau topicality. There are excellent wildlife shots, tribal dances and an astonishing Masai lion hunt. The smart African Rifles, dashing to the rescue of the ambushed hunting party, are quite a change from the usual U.S. Cavalry. Janet Leigh prettily wears the nicest nightgowns over her suntan and under a mosquito net. With Gary Cooper or Clark Gable instead of sweaty heavyweight Victor Mature, it would have been an enjoyable film for an adventure-loving public.

Rock'n Roll

"ROCK Pretty Baby" (Arnon, Jerusalem) should be seen by everybody interested in the new adolescent phenomenon of Rock'n Roll, which to the uninitiated looks and sounds like a revised version of the good old jitterbug.

John Saxon, as the teenage band leader, never changes his facial expression throughout the film, so that acting honours go to Sal Mineo, the neurotic boy of "Rebel Without a Cause." The weakest link is the plot about youngsters trying to make good as musicians, which, even if polished by a dose of juvenile psychology, is wearily shopworn.

'Tel Aviv Taxi' Mildly Praised in N.Y.

NEW YORK, Monday (Reuter). — The "Daily Mirror" and the "Herald Tribune" gave mild praise today to the Israel film "Tel Aviv Taxi."

The "Herald Tribune" critic said that the actors spoke a "stiff and unidiomatic English" and that the five vignettes were "low voltage in their philosophical content." He added, however that "As a step in the development of the new movie industry in Israel, the film may prove of interest to students of the motion picture."

The "Daily Mirror" said that "this is an amusing little effort and was obviously made on a strict budget." He hoped that the film would be sufficiently successful to permit its writer-director Mr. Larry Frisch, to continue "with his efforts."

Notices to the Public

TO THE ATTENTION OF PHILATELIC SERVICE SUBSCRIBERS

1) All permanent subscribers who in the past few days received bills for the Defence Stamps and postal cancellation, are requested to make payments as soon as possible.

2) First-Day Covers cancelled with Gaza Post Office postmark on opening day will be sent to special subscribers with the Defence Stamps.

3) Owing to technical difficulties, there will be a delay in sending out the Defence stamps to permanent subscribers. The public is requested to wait patiently.

DRAWING OF THE 1948 WAR LOAN (BEARER BONDS), SECOND ISSUE

The 47th drawing of the above loan will be held on Wednesday, January 2, 1957, at 4 p.m. at the Bank of Israel Hall, 27 Rehov Lilienblum corner Rehov Nahlat Binyamin, Tel Aviv. — Admission Free. The Public is invited.

DRAWING OF THE 1948 WAR LOAN (BEARER BONDS), FOURTH ISSUE

The 43rd drawing of the above loan will be held on Wednesday, January 2, 1957 at 4 p.m. at the Bank of Israel Hall, 27 Rehov Lilienblum corner Rehov Nahlat Binyamin, Tel Aviv. — Admission Free. The Public is invited.

EMERGENCY PHARMACIES

JERUSALEM: Ben Yehuda, 7 Ben Yehuda, 2611. **TEL AVIV:** Marpe, 77 Allenby, 4387. Molchadovski, 7 Ben Yehuda, 23570. Moshkevitz, 25 King George, 63650. Katz, 132 Dizengoff, 22390. Baruch, Hatikva Qtr. 67405. **JAFFA:** Briut, 6 Rehov 8, 82533. **PETAH TIKVA:** Briut, 13 Hovevei Zion. **RAMAT GAN:** Rama, 63 Jabotinsky. **GIVATAYIM:** Hadassah, Katznelson, cor. Modi'in, 72271. **RISHON LE-ZION:** Malal. **HAIFA:** Palas, 31 Joseph, 4014.

EMERGENCY PHYSICIANS

JERUSALEM: Dr. Grunwald, 22 Yehoshua Bin Nun, 62668. Dr. Romanov, 11 Arlosoroff, 61217. **TEL AVIV:** Dr. Shaham, 1 Syrkin, 25642. Dr. Levitan, 100 Ben Yehuda, 26507. **JAFFA:** Dr. Weinberg, 4 Rehov 65. **HAIFA:** Dr. Sherman, 3 Hanevi'im 2434. Dr. Ludwig, 24 Shivat Zion, 67417.

STAMP COLLECTORS interested in obtaining the new postmark of Herzlia, "Herzlia 5," should submit stamped envelopes to the Post Office Manager before January 6 when the postmark will be used for the first time.

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Israel-Ibero America, Spain & Portugal
(in cooperation with the Ministry for Foreign Affairs, the Jewish Agency, the Hebrew University, the Technion and the Weizmann Institute)
OPENING LECTURE IN TEL AVIV
Thursday, January 3, 8.30 p.m. at Z.O.A. House
MR. NELSON TABAJARA DE OLIVEIRA
Minister of Brazil in Israel
will lecture on
"TODAY'S BRAZIL"
Introduction by the President of the Institute
Mr. Justice GAD FRUMKIN
The public is invited.

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Today's Postbag

WEATHER

FORECAST: Cloudy to partly cloudy. Local light rains in the morning.

	*A	B	C	D
Mt. Cana'an	81	5	9	10
Tiberias	58	13	20	21
Haifa Port	87	11	17	18
Natanya	68	10	17	18
Tel Aviv Kirya	75	10	18	19
Tel Aviv Port	78	11	17	18
Lydda Airport	85	9	18	19
Jerusalem	64	7	13	14
Beersheba	68	7	16	17
Sdom	63	9	19	20
Eilat	43	10	20	21
Sinai	—	—	—	21

*A) Humidity at 8 p.m. B) Minimum temp. C) Maximum yesterday. D) Maximum temp. expected today.

A WATER SHORTAGE will be felt in Jerusalem this Sunday while sections of the pipeline in the Jerusalem Corridor are being cleaned.

• • •

THE FIRST TEN of 125 box-cars ordered by the railways from the Vulcan and Merkavim works have been delivered. Each van has a 25 tons capacity.

• • •

KUTNA TEXTILE workers went back to work yesterday in answer to a call from the Local Workers Council.

Beduin 'Witch Doctor' On Trial for Killing

The trial of a Beduin "witch doctor," accused of killing one of his patients while trying to exorcise a devil from her, began yesterday before Jerusalem District Court Judge M. Gaulan.

The prosecutor, Dr. Gerberg, charged that the "witch doctor," Hassan Salah Abu Mussa, of the Huzi'el tribe in the Negev, early in 1954 offered to cure Hochmeh Ukeira, the mother of five children, from what was evidently epilepsy.

The fee he demanded, IL100 and a sheep, was agreeable to Ibrahim, her husband. In July, 1954, Abu Mussa began the treatment. It consisted of tying her up in his tent, beating her, choking her and spitting in her mouth. After a fortnight of this treatment, she died.

After informing the family of the disaster, Abu Mussa ran away. Several days later, however, he returned and gave himself up to the head of the tribe who in turn called the police.

Mr. [illegible] Kassis, of Tel Aviv, is defending. The trial continues.

Mother Held for Trying To Set Daughter Aflame

TEL AVIV, Monday. — A mother in the Maccabi quarter last night allegedly attempted to set fire to her 20-year-old daughter after the latter asked to put up a strange man at their home.

After a quarrel, Mrs. Hanna Sharabi poured a bottle of kerosene over her daughter Segulah, and then is said to have tried to set her aflame.

The incident occurred at 1.30 a.m. A neighbour, Shilo Douadi, hearing the girl's screams, forced a box of matches from the mother's hand.

Today the mother told police that her daughter's behaviour was bad, and she had in the past been detained by the police. She said her daughter left the house for weeks on end, and "causes us to worry." (Itim)

Paltiel Eisenstadt, Tel Aviv
Dr. and Mrs. Richard Chajes, Detroit
are happy to announce the birth of a
granddaughter and daughter
sister to Daria

December 1956
Detroit, U.S.A.

Mr. & Mrs. A.W. Schwimmer
are happy to announce the birth of a
SON
The Brith Milah will take place on Friday, Jan. 4, 1957, at 10.30 a.m., at the Assutah Hospital, Tel Aviv.
All friends are cordially invited to attend.

With deep sorrow we announce the death of our beloved husband, father, grandfather, brother, brother-in-law and uncle
Mr. Georg Byk
who passed away in his 55th year after a prolonged illness.
Funeral: Today, January 1, 1957 at 4 p.m. at the Kiryat Shaul cemetery. Bus at 3.15 from 1 Rehov Remez, Givatayim.
For the bereaved family:
Irma Byk, nee Munier

The unveiling of the tombstone over the grave of our beloved husband and father
Harry M. Whitgob ז"ל
will take place at 1.30 p.m. on Wednesday, January 2, 1957, at the Khayat Beach Cemetery, Haifa. Taxis will leave at 1 p.m. from Peer Cafe, Central Carmel.

Works Delegations Seek More Emergency Labour Schemes

Jerusalem Post Staff

Five separate delegations called at the Ministry of Labour yesterday morning to ask that more work be provided under emergency work schemes to combat unemployment.

The delegations, from Haifa, Lydda, Ramle, Holon and Be'er Ya'akov, were received by Mr. Yitzhak Eylam, Director-General of the Ministry, and Mr. Dov Kochavi, head of the Employment Department. The group from Lydda, which numbered 60 persons, was more in the form of a demonstration than a delegation.

It was pointed out to the delegations that unemployment had already begun to drop from its December 14 peak when almost 20,000 applied daily to the Labour Exchanges. In the following week, the average daily number fell by 2,200 to stand at 17,200. The drop is credited largely to the citrus picking season which is expected to continue to absorb several thousand more men.

Cutting Relief Works

Regarding more emergency works, it was stated that the Ministry is now studying ways of mobilizing funds for this purpose. The budget that has been allocated is almost exhausted and some 2,800 of the 14,000 now on the emergency rolls will have to be dropped during January. It is as yet impossible to estimate how many jobs will be supplied under this scheme in February.

Last year at this time there were 14,000 unemployed, but there were only some 8,500 on relief work. The highest unemployment figure in recent years was 20,000 in 1953, though then again there was less relief work.

The director of the Central Labour Exchange bureau, Mr. Z. Millstein, is to meet the Minister of Labour, Mr. M. Namir, today, to try to avert the cut in emergency projects, it was learned yesterday in Tel Aviv. Mr. Millstein told *The Jerusalem Post* that, in addition to the 18,000 idle adults, there were over 2,000 unemployed youths. The official figures for unemployment only include those registering at labour exchanges, and exclude part-time workers.

Relief Seen

Additional workers for citrus-picking in a few days will reduce unemployment by about 3,000, Mr. Millstein stated. But this will only affect the Sharon and Shomron areas, he added. Causing great concern, he said, was the growing number of dismissals of men who had been employed in industry for four or five years. Among the 18,000 unemployed were many who have been idle for protracted periods. Most of the unemployed were unskilled men but they also included many building workers.

Mr. Millstein is to suggest the following remedies: that the 1957 building programme begin immediately, and not in two months' time (27,000 housing units are to be started on in two months' time) no reduction of public works, and more to be started in immigrant centres. Dismissals in industry to be stopped by granting credits and other assistance to factories.

Work Situation In Capital Not Critical

Jerusalem Post Reporter

Jerusalem's employment problems were less serious than in other parts of the country, Mr. Z. Barak, Director of the Jerusalem Economic Corporation, said yesterday at a press conference in Jerusalem. There were over 2,000 employees in over 100 Jerusalem industries by the end of 1956, an increase of over 10 per cent.

Mr. Barak said that the Jerusalem Municipality promised to allocate IL400,000 out of the Bonds it will be issuing for the development of Jerusalem industry through the Corporation. It is estimated that the Corporation will need IL2.5m. in the next two years to build 25,000 square metres of factory space.

Only five plants closed down in Jerusalem in the past year. Among those that were opened, Mr. Barak stressed the importance of the light bulb plant, the measuring instruments workshop, and the mosaics factory. A large printing house is being planned by the Corporation.

The main centres of unemployment were: Haifa, 2,023; Tel Aviv, 1,945; Jerusalem, 1,458; Petah Tikva, 1,020; Ramat Gan-Givatayim, 890; Ashkelon, 552; Ramle, 507; Lydda, 499; Bnei Brak, 488; Kfar Sara, 393; Natanya, 392; Ra'anana, 382; Rishon Le Zion, 370; Holon, 363; Beersheba, 352; Acre, 341; Nes Ziona, 339.

Milk for Gaza's Needy Children

Jerusalem Post Reporter

GAZA, Monday. — The distribution of milk to needy children up to the age of 15 was resumed today after a stoppage of over three months. The milk, made from powder, is contributed by CARE, the American philanthropic organization, and processed by U.N.R.W.A. The Israel authorities finance the costs of distribution.

At the local distribution station, one of the eight in the Strip, children lined up in two long queues, one for boys and one for girls, to get their rations, consisting of liquid milk made of 300 grams of powder each. Over 5,000 children get milk supplies in Gaza alone.

Flour and sugar are distributed among the settlers, besides milk. Under the Israel Military Government the flour ration has been increased from six to seven kgs. a month, and distribution of other items, such as rice and cheese, are soon to begin.

In an interview with the Press later, Mr. Frank Thomas, Director of CARE in Israel, and Mrs. Kahn, leader of the Israel Social Welfare team in the Strip, said that a great measure of support and co-operation was shown by the local population for the activities of the authorities and CARE, and that the general standard of health among the children was satisfactory.

A LARGE CAN of poisoned wheat used for rodent bait was stolen yesterday from Menahem settlement, in the Jerusalem Corridor, Jerusalem police announced yesterday. Any person knowing the whereabouts of the can should inform the police immediately.

Labour Honours Blind Operator, Negev M.D., Nazareth Teacher

Jerusalem Post Reporter

TEL AVIV, Monday. — A 23-year-old blind telephonist who in a year trained himself to remember rows of telephone numbers was among the 20 winners of the annual Histadrut prizes for distinguished service at work, awarded at the Histadrut Executive building tonight.

The worker at the bench and the man behind the plough, individuals and groups, received a tumultuous ovation from an overflow audience, as Mr. Pinhas Lavon, M.K., Secretary-General, handed them prizes of IL250 and certificates.

Special applause greeted a young Negev doctor, a bearded worker employed in a military industry and an Arab teacher of Nazareth.

Mr. M. Namir, Minister of Labour, said that though the government was preoccupied with the question of unemployment — it never lost sight of the vital factor of higher productivity as the key to economic progress. The worker must feel that his efforts bettered himself and the country, and not just enriched his employers.

The individual responsible worker was the backbone of the economy, Mr. Lavon declared. Instead of 20 prize winners, there could be thousands.

The Histadrut will give every assistance to increase output by true norms and premiums pegged to production, Mr. A. Becker, head of the Trades Union Department, stated. Productivity of the Israel Worker during the last seven years has risen by 58 per cent in agriculture and 104 per cent in industry. It had to rise yet more to meet the present jolts threatening industry and agriculture.

Responding on behalf of the prize winners, Dr. M. Kleinhaus, the Negev doctor, declared that there were many other doctors in the Negev who deserved prizes, while Mr. Elias Toufik Daniel, the Arab teacher, said that a prize should be given to the Ministry of Education for its work among the Arab community.

The prizewinners were:

AGRICULTURE

Yosef Rosenberg, Zvi Tock, and Shimon Gabain of Kfar Ruppin, pioneers in raising cattle for beef on natural pasture, a new important branch of local agriculture.

Yitzhak Ben-Avraham, veteran and general factotum of Kiryat Anavim, who devised a special plough for the cultivation of fruit trees in hill areas.

The 16 dairymen and women of Beit Alpha who increased their average milk yield from 500 kgs. per cow in 1921-5 to 5,612 kgs. last year, and at the same time cut down on labour time.

A group of 12 poultry workers of Ma'anit, who after several years of effort, reached a record egg output.

Yosef Feld, of Beit Hashita, for his many inventions in farm machinery, particularly for sugar beet.

Rahel Romano, of Bror Hayil, who despite a poor cotton crop this year, achieved a new national record by picking 150.4 kgs. in an eight-hour day, and an average of 127 kgs. for the season, by introducing improved methods.

INDUSTRY

Israel B. for exemplary work in a military industry plant where he increased productivity, and made important improvements in weapons manufactured at the plant.

Moshe W. also working in the arms industry, for raising output and reducing waste.

Yoseph Engler, of a Ramle motor and electrical appliances factory, who entered the plant as an unskilled worker and new immigrant, and by his example and initiative increased efficiency in the entire plant.

Eytan Yavsuri, of Afikim, who at its giant plywood factory, solved various problems of processing imported timber-logs, thereby increasing their value.

Hannah Abraham, of the Keitan textile mill in Tel Aviv for exceptional achievements in output.

Ya'acov Pump, of the Ata textile plant, who overcame a hitch in spinning which had caused stoppages and affected the quality of the product.

Moshe Berger who cut production time by a third in various processes.

Aron Bruchim, who improved a production process at the "Elko" electro-mechanical factory, Ramat Gan, and reduced costs of a product enabling it to be exported.

OTHER BRANCHES

Two Piper Cub pilots of "Chimavir," Avraham Cohen, of Beit Alpha, and Yitzhak Shaked, of Haifa, who in the course of a few years increased their productivity by two and a half times, and relentlessly fought against pests in agriculture last year.

Yehoshua Shadmon, of Ginegar, for developing a cheap weighing and calculating machine for loading corn silos.

Dr. M. Kleinhaus, of Nirim, who, since he arrived from Chile, has given medical care to those Negev settlements with no doctor, and now serves 14 settlements with 3,500 people.

Elias Daniel, an Arab teacher of Nazareth, for devoting all his spare time after school hours to compiling much needed textbooks in Arabic.

Eliezer Karpiel, of Herzliya, veteran floor-tile layer who for six years has taught the trade to new immigrants from Kiryat Shmone to Beersheba.

Shmuel Lux, of Kiryat Haim, who after having been totally blinded by a grenade, trained himself as a telephone operator, and in one year learned to operate an exchange of seven external and 36 internal lines at the Assis factory, Ramat Gan.

Hoopsters Invited To Play in U.S.

TEL AVIV, Monday. — The Israel Olympic basketball team today received an official invitation to tour the U.S. in February. In a cable received by the Israel Amateur Sports Federation, the U.S. Amateur Athletic Union propose the sending of 12 players, an assistant coach and team manager.

Mr. Elmer Ripley, the noted American coach who trained the Israel team for 10 months earlier this year, will act as coach of the team in the U.S. The tour would start on February 3, with the hosts covering all expenses and maintenance.

No details of the programme for the Israel team are known here, but games would be arranged together with the U.S. Committee for Sports in Israel. A final decision on whether to send the team to the U.S. will be made at a meeting of the I.A.S.F. this week.

Civil Court Opens in Gaza

Jerusalem Post Reporter

GAZA, Monday. — The first civil court to be set up by the Israel Military Government was inaugurated here today at a modest ceremony under the auspices of the Military Commander of the Gaza Strip, Sgan-Aluf Haim Gaon; Mayor Rushdi Al-Shawa, who is also the dean of the town's lawyers; the local kadi, Sheikh Faiz Mussmar, and a number of the town's notables.

The court, which is housed in the British-built police station, is to be presided by a veteran Palestinian judge and a leading lawyer, Judge Rushdi Al-Muhtadi, who declared the court open in a brief and solemn announcement.

He addressed as "my son" the defendant in the first case to be heard by him, a young man accused of knocking out a tooth of another in a local squabble. The accused readily confessed to the deed and begged the mercy of the court.

In his opening greetings, Sgan-Aluf Gaon quoted a verse from Judges, "Judges and guardians shalt thou place in your gates..." and lauded the co-operation of the local leaders in setting up this vital instrument of justice. Mayor Al-Shawa followed with expressions of thanks to the authorities for their "praiseworthy efforts to ensure the running of all the vital services," and wished the court success.

Judge Praised

In a brief statement the kadi, Sheikh Mussmar, praised the judge as a friend whom he knew for a long time as lawyer, religious court judge and as a Justice of the Peace. He was followed by Mr. Avshalom Levy, Legal Adviser to the Commander, who quoted the Koran's injunction, "When you judge, judge with justice."

Some light was thrown on the legal position in the Strip by a Military Government spokesman before the ceremony started. He said that the laws under which the area is governed were a mixture of Mandatory, Egyptian and Israel laws. Some of the laws in force during Egyptian rule have been maintained, such as those of customs and excise, some have been superseded by Israel ones, such as the law on infiltration.

Chennault Offers Interest in El Al

Jerusalem Post Reporter

Three Bristol Britannias will be in full operation by the end of the coming summer, Mr. Moshe Carmel, Minister of Transport, told *The Jerusalem Post* yesterday. The final decision on the purchase of the fourth Britannia is awaiting a meeting of the Ministerial Economic Committee, he added.

The Committee still has to decide on methods of financing the purchase, for which until now less than half the IL41m. needed for the four planes have been allocated. One possible aid to finance the acquisition of the planes has been an offer made by Lt.-Gen. Claire Chennault, Managing Director of the Flying Tigers Air Transport Corporation, to purchase an interest in the Britannias and the Atlantic air-route. Although only a general interest has until now been expressed by that Company, Mr. Carmel said that this might solve a great part of the financing of these planes.

The Flying Tigers have been operating as transport planes between the U.S. and the Far East. The Company was formed immediately after the Second World War, and was composed of pilots of Gen. Chennault's teams who formed the bulk of Chiang Kai-shek's air force.

The Ministerial Economic Committee is expected to discuss El Al problems this month, and it is believed that they will fully approve the acquisition of the planes. The Ministry of Transport has been urging that a decision on the planes be made as soon as possible now that the Bristol Corporation has overcome the icing problems that slowed down the production schedule.

B.O.A.C. will inaugurate a Britannia on its London-South Africa line in February, it is understood. This will be the first scheduled flight of the Britannias.

Eilat to Have Its Own Customs House

HAIFA, Monday. — A Customs station is being established in Eilat, it has been learned.

The Customs authorities will also make arrangements to enable importers receiving cargoes through Eilat to deal with the paper work involved in Tel Aviv or in Haifa. Formerly, this could only be done at the Jaffa Customs House.

The Haifa Marine company, a large customs clearing agency, has announced its intention of setting up a branch in Eilat, to be managed by one of the townspeople.

THE INOCULATION of dogs against rabies will continue in Jerusalem during January at the central inoculation station in the Bikur Holim hospital, daily from 8 a.m. to 12 noon and 2-5 p.m. (8 a.m. to 1 p.m. on Fridays).

Rafah Has United Local Council

By NISSIM REJWAN

RAFAH, Monday.—A pledge of full cooperation with the Israel authorities in their efforts to improve the lot of the local population and an appeal to expedite the opening of schools were expressed by the notables of Rafah today during the inauguration ceremony of their Local Council.

The ceremony, held in the open air Palestine Cinema in the centre of town, attracted hundreds.

Rafah lies at the southern tip of the Gaza Strip, and the international boundary runs through the town. The Egyptians maintained two different local councils, one for that part of Rafah lying in the Strip and the other for the part in the Sinai Peninsula. In addition to its 6,500 original residents, 35,000 refugees live in nearby camps.

The Local Council inaugurated yesterday unites both halves of the town. This fact was stressed by the Strip's Military Governor, Sgan-Aluf Haim Gaon, who said that the residents of Rafah, who belong to one village, now have a single local council. He promised that Israel would offer her scientific methods, technical skills and goodwill to develop the village.

Pledges Cooperation

The first speaker was Rafah's Area Commander, who read the order setting up the Council. He was followed by the Council Chairman, Al-Haj Shuhta Zu'rub, who thanked the Israel Government and its representatives and said that the Council would "do its utmost to attain full cooperation and brotherly relations" with all.

Mayor Rushdi Al-Shawa, of Gaza, appealed to residents to unite and to work together for the best interests of the town.

He said: "You are all responsible for the welfare of each other; you must strive to ensure the interests of your town. The new Local Council has been set up to be the faithful mediator between you and the authorities in all matters affecting your daily lives: provisions, schools and health services. Be united in pursuing the common interest!"

After Sgan-Aluf Gaon's brief speech, which ended the ceremony, light refreshments, including baklawa, were served.

More Councils

At a press conference Sgan-Aluf Gaon revealed that some of the present Council members held seats in former councils on both sides of the town.

They also said that after Gaza, Khan Yunis, Dir el-Balah and Rafah had received their municipal and local councils, two other villages, Jabaliya and Beit Lahya, would get theirs.

Replying to other questions, Sgan-Aluf Gaon said the population of the Strip is estimated at 310,000, of whom over 200,000 are refugees. The majority of the indigenous residents work in agriculture and fishing.

The Military Commander said that the first eight classes have been opened, and that secondary schools will be resumed this month. He revealed that about 10 per cent of all the teachers were disqualified after having passed screening and that 15 per cent of the old school books were discarded for their propaganda content.

Cost of Living

Turning to the level of wages, Sgan-Aluf Gaon said that there was a huge gap dividing the standard and cost of living in the Strip and those of the Jewish sector. He revealed that this was the reason for the difference in prices, which in turn led to the present prohibition on the purchase of goods from the area by visitors. The authorities, he said, realised that a free exchange of goods and funds would result in sudden and very harmful inflation. He thought an equalization of prices and wages with the Jewish sector could be achieved only gradually, and this would take two or three years to accomplish.

Manna from Sinai is contained in the tube held by Archbishop Isidoros, a gift to President and Mrs. Ben-Zvi. He is shown handing Mr. Ben-Zvi another present, a stone from atop Mt. Sinai. Others shown at the President's New Year's Day reception for Christian religious leaders, (left to right) are Dr. Joseph Burg, Acting Minister for Religious Affairs; Dr. M. Simon, Chief of Protocol, and Dr. M. Mendes, of the Ministry. Photo by Hirshbein

Isidoros Brings Three Gifts From Sinai for President

Jerusalem Post Reporter

As the formal ceremony ended at Beit Hanassi yesterday and the 13 Christian ecclesiastical leaders had shaken hands with the President, Archbishop Isidoros stepped up to Mr. Ben-Zvi and smilingly handed him three gifts.

The first was a multi-coloured stone that he had picked off the peak of Mt. Sinai. The second was a bag of almonds that he had taken from the garden of St. Catherine's monastery near Mt. Sinai. And the third was a small tube filled with a honey-like substance that is gathered from trees in the early morning and which the Archbishop described as manna, the food eaten in the desert by the Children of Israel.

Mr. Ben-Zvi showed pleasant surprise at the thoughtfulness of the Greek Orthodox Metropolitan of Nazareth. The Archbishop explained that he had returned only the day before from a visit to the monastery, and he was grateful for the opportunity of being able to go. He was flown by the Government, and stayed there overnight.

He scoffed at Egyptian reports that Israelis had plundered the monastery. He told the President he had found the books and manuscripts in good order, and everything was "quiet."

The religious leaders gathered at Beit Hanassi to receive the Presidential greetings on the occasion of the New Year.

President Ben-Zvi asked them to convey his cordial greetings and heartfelt wishes to "all our citizens and residents of the Christian faith in Israel as well as to the Christian pilgrims and visitors now in the country."

"The outgoing year," the President said, "was fraught with danger and difficulties, but with the help of the Almighty we succeeded in repulsing those who endangered the security of the country and the peace of its inhabitants.

"Let us pray and hope that the New Year now being ushered in will bring to all of us peace and prosperity and may see the further strengthening of the bonds of friendship between Nation and Nation and between all sections of our population.

"A bright and happy New Year to you all."

The President concluded with the words of the Psalmist:

> *"Pray for the peace of Jerusalem;*
> *they shall prosper that love thee:*
> *Peace be within thy walls, and prosperity within thy palaces."*
> (Psalm CXXII, 6-7)

The ceremony was attended by these church leaders: Archbishop Georges Hakim, Head of the Greek-Catholic Community; Archbishop Isidoros, Greek Orthodox Metropolitan of Nazareth; Magr. Antonio Vergani, Vicar General of the Latin Patriarch of Jerusalem; Canon H. R. A. Jones, of the Church of England; Rev. W. Gardiner Scott, of the Church of Scotland; Rev. Robert Lindsey, of the Southern Baptist Church; Rev. Nicodeme, Head of the Russian Mission in Jerusalem; Rev. William Hull, of the Zion Mission in Jerusalem; Rev. Magne Solheim, Representative of the World Lutheran Union; Archimandrite Papkin Abadian, Senior Vicar of the Armenian Patriarch of Jerusalem; Magr. Abdul Ahad Chahine, Head of the Maronite Convent in Jaffa; Mr. Leslie Putnam, Gen. Secretary of the Y.M.C.A.; Bishop Abba Philippos, Head of the Abbyssinian Convents.

The Acting Minister for Religious Affairs, the Minister of Police, President of the Supreme Court, the Mayor of Jerusalem and other official representatives were also present.

Evidence in Shura Libel Case

TEL AVIV, Monday. — Mr. Joseph Nahmias, Deputy Police Inspector-General from 1948-53, gave evidence today in the District Court, in connection with the libel case brought by Mr. Amos Ben-Gurion against four members of the Shurat Hamitnadvim. Mr. Ben-Gurion is claiming IL25,000 damages, in connection with a pamphlet published by them in 1955.

Mr. Nahmias, who is now in the Ministry of Defence, will not be in the country when the case comes up on February 3, and his evidence was therefore taken by the Court Recorder, Mr. S. Cohen.

In reply to questions, by Mr. M. Caspi, Prosecuting Attorney, Mr. Nahmias said that it had been his suggestion that Mr. Ligum should be asked whether he should rent his house in Herzliya to Mr. Ben-Gurion. Some months earlier, Mr. Ligum had offered the house to Mr. Nahmias who had not taken up the offer, as he was looking for accommodation for only a short period. Mr. Ligum, he said, had been anxious to find a tenant who would be certain to vacate the house when asked.

Mr. Nahmias testified to Mr. Ben-Gurion's character and to his good work in the police force. The interrogation will continue tomorrow.

DENTISTS WIN PRIZES

TEL AVIV, Monday. — The first annual Sarah Gruber prize for dentistry was awarded tonight to Dr. S. Seidner for his research work on extraction of teeth, and to Dr. L. Hirsch and Dr. M. Weinreb, for having verified the sealing value of recently-invented plastic fillings.

40,000 in Tel Aviv To Be Inoculated

Jerusalem Post Reporter

TEL AVIV, Monday. — The city's giant plan for the anti-polio campaign, worked out with pin-point precision by the Ministry of Health and the National Polio Foundation, goes into action tomorrow at the 47 stations in the Tel Aviv-Jaffa district. Some 40,000 children, aged six months to 3 years, will receive 0.2c.c. of the Salk vaccine, while sitting in their mothers' laps.

Crews of volunteers recruited from over 14 women's organisations will serve as registration clerks, hostesses, drivers, and loudspeaker radio announcers in the various inoculation centres, each of which has been provided free of charge with ballpoint pens, paper and sweets by Tel Aviv merchants. Women will also sit in reserve at the Ministry of Health headquarters ready to spring into action at a call from any of the centres.

The stations conveniently dispersed throughout the city, will service approximately a third of the nation's eligible children. Many of the stations in the crowded city areas, such as the Strauss Health Centre, Bet Abrahams, Kfar Shalem and Neve Sha'anan, will be open all day from 8 to 4 for 27 days during the month.

Publicity material, prepared three months ago, includes movie slides, illustrated posters with the fight polio symbol, Hebrew pamphlets and one in Arabic. Loudspeaker announcements will be made throughout the month at Mif'al Hapayis booths.

Mothers are requested to bring birth certificates along to the vaccination centres.

Jerusalem Stations

The stations open today in Jerusalem are: Bikur Holim Hospital, 8-12, 2-5. The Hadassah Social Welfare Medical Clinic, Nahlat Ahim, 8-12, 2-5. Tipat Halav, Katamon "Gimmel," 8-1.

Inoculation teams will visit Jerusalem Corridor settlements on successive days beginning tomorrow, when they will inject the children of Beit Nekufa, Kiryat Anavim, Ma'ale Hahamisha, Neve Ilan and Upper Motza. On Wednesday they will go to Beit Zeit, Abu Gosh and Ein Rafa.

In other towns the stations will be: Upper Afula: Tipat Halav 8-2.30. Acre: Kupat Holim, 8-1. Nahariya: Kupat Holim, 8-1. Hadera: Municipality, 8-1. Petah Tikva: District Health Office and Magen David Adom, 8-2.30. Rehovot: Magen David Adom, Rehov Herzl, and Beit Varful, Shikun Havatikim, 9-1. Rishon Le-Zion: Tipat Halav, Rehov Ahad Ha'am, and Shikun Hamizrahi, Histadrut Cultural Club, 9-3. Nes Ziona Pardes Building, and the Local Council Building, 9-1. Ashkelon: Shikun "Aleph," New Clinic, 8-4. Beersheba: Tipat Halav, Shekhuna "Aleph," and Tipat Halav, Shekhunat Hatarim, 8-2.

WATCHMAN KILLED BY OWN GUN

BEERSHEBA, Tuesday. — A watchman at Moshav Lachish, Yehuda Rovak, was found shot dead at noon yesterday. He was propped up on a tractor in one of the Moshav's fields.

It is presumed by police that he accidentally discharged his sub-machinegun, killing himself.

The moshav tractor driver told police that his machine had broken down and he had asked Rovak to guard it while he went to fetch a mechanic. When he returned half-an-hour later, he found the watchman dead.

Owners Protest Higher Tax in Jerusalem

The Manufacturers Association of Jerusalem, in an open letter to Mayor Gershon Agron, yesterday protested against passage of the bye-law increasing the business tax in the capital.

The letter stated that raising the tax would have detrimental effects on the city's present industry and would prevent other firms from coming to Jerusalem.

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המחלקה להנחלת הלשון
ולהשכלה

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Economic News from Abroad

Europe's Common Market

● As a result of the recent turn in America's foreign policy, greater progress is now expected on the European Common Market plan. Agreement on all principle issues has already been reached between the six countries involved and by the middle of January the basic treaty is to be signed. Some form of British participation in the scheme is also considered likely, in particular in view of the continent's large programme for co-operation in atomic development, by which British industry sets great store. Out of consideration for the weak position of the French economy, France is to be allowed to retain special protective taxes for the initial period. However, the question of French overseas territories has not been settled as yet. In principle, it has been agreed that they should come in, thus adding 37m. people to the Common Market of European exporters, but as a price the French are asking for the establishment of a $1,000m. annual investment fund to finance colonial development. The inclusion of O.E.E.C.'s less developed members, like Portugal, Turkey and Greece, is also hanging fire.

Japan Top Shipbuilder

● Japan's spectacular shipbuilding boom is going to continue irrespective of the Suez crisis, Tokyo experts predict, for it is based not only on competitive prices but also on quick deliveries. However, a backlog of orders for nearly 4m. tons has already accumulated. In the third quarter of 1956 the Japanese outstripped British yards in tonnage launched and she is to keep top place in the first quarter of 1957. Japanese yards specialize in the construction of huge tankers of up to 100,000 deadweight tons which are now in heavy demand.

British, French Assets

● The total value of British assets in Egypt is estimated at £55-60m., excluding both the share in the Suez Canal Company and the value of the Suez military base. The most important assets included are the Anglo-Egyptian oilfields (£35m.), the Eastern Tobacco Company (£12m.) and the various banking, shipping and insurance interests (including the Barclays and Ottoman banks). Banks also form an important part of the French stake in Egypt, which totals about £75m., with Credit Lyonnais and Comptoir National most involved. Other French assets are mainly industrial, particularly in the sugar industry of Upper Egypt.

Higher Crude Oil Price

● A higher price for crude oil is demanded by America's independent petroleum producers in order to cover increased production costs. At present U.S. crude is selling at an average of $2.75 a barrel which price is said to be 50 cents to $1 too low. The claim, however, is opposed by the big integrated companies which own the cheap Middle Eastern and Venezuelan oil and have lately increased their imports into the American market.

U.S. Boom Still Strong

● Despite the prolonged steel strike in the third quarter of 1956, U.S. economic activity was running at an annual level of $413b. compared with $408b. in the second quarter. In the year's last quarter another rise seems to have taken place. Unemployment has dropped to the lowest level since 1953 and total employment has reached a new all-time peak. In manufacturing, an increase of overtime work is reported and average earnings reached $2 an hour for the first time. New orders for manufactured goods have run ahead of production and a backlog continued to grow. Signs of improvement have appeared in the textile markets and lately even in the automobile industry.

No Substitute for Oil

● Hopes entertained for reducing Britain's dependence upon oil imports by rapid development of nuclear generating plants have been dashed by recent calculations on the very high investment involved. Should even three times as many nuclear plants be constructed as hitherto envisaged, they would only supply 6 per cent of the total energy consumption by 1965 and oil (or coal) imports would have to be stepped up.

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29 Tevet 5717, 1 Jamad Thani, 1376

BUDGET WITHOUT POINTER

NOW that the budget estimates for 1957/58 have been approved by the Government and are ready for discussions by the Knesset, the public can start drawing consequences from the implied economic policy for the next year. As a matter of fact, however, this is rendered difficult by the present budget's incompleteness and the many issues left outside its scope. On the face of it, the new budget is almost astonishingly "unimaginative."

On the revenue side no changes are envisaged in the taxation pattern or rates, nor in the U.S. grant-in-aid. No further public loans are expected, and the tax yields are again assumed to be of a magnitude suggesting substantial "hidden reserves." Ordinary expenditure also follows closely the current year's figures (plus IL21m., i.e. 8 per cent for higher costs and wages) and of the IL33m. allocated for additional activities (including IL7.2m. for education, IL9m. reserve, and most of the rest for health, labour, defence and pensions). About IL7m. is to be offset by savings and IL18m. by the Jewish Agency's participation.

In the Development Budget a few more changes are to take place, with additional funds being earmarked for housing, mining companies and new settlements, and less for irrigation and transport. The budget's total, however, is to rise no more than has the domestic price level, and is to remain below the actual outlay for 1955/56.

This relatively conservative appearance provides too small a basis for any solid conclusions. First, it does not include all the new defence taxes, the Defence Loan and the special defence expenditure, and, second, it does not purport to resolve several problems with which we shall be faced in the near future. The IL10m. increase in the housing allocation, e.g., looks quite impressive, but if the rise in wages that has taken place since last year is taken into account it comes to no more than 10 per cent. Will the IL55m. really be enough for the continuation of the Saving for Housing Scheme according to schedule, and for providing accommodation for new immigrants, who are expected to number over 100,000 in the coming year?

Similarly, the Ministry of Labour is to get an additional IL5m. for employment projects (to be financed by a contribution of the Jewish Agency), but while this amount may allow us to expand some public works considerably it will hardly provide a livelihood for thousands of qualified workers and professionals who are expected to come with the new wave of immigration.

On the other hand, while more funds have been earmarked for completion of the big State-owned mining projects, the extension of other industrial credits has been planned on a somewhat smaller scale than a year ago. Another case in point is the local authorities. The budget allocates IL5.6m. to them, i.e. less than half the sum they received in 1955/56, but will this policy stand the test of reality?

These (and several other) problems may be reserved for attention in a supplementary budget. Or perhaps some of them may yet be taken care of by the Jewish Agency which expects a much bigger income this year. (As for the present budget, the Agency gets back almost the full amount of its participation in ordinary expenditure in the form of increased government investments in new agricultural settlement). An increasing share of productive investment has presumably been earmarked for private and institutional savings (including institutional funds). It is no secret that influential quarters are pressing for the further financing of vital projects through credits, i.e. creeping inflation.

Lately there are signs of a "realistic" approach which would use all the means jointly without regard to their more or less contradictory effects. Whatever the theoretical merits of this approach, in practice it rather resembles simple muddling through — which has not served us well in the past. It is not good for a Government to speak in different voices on economic matters when a clear pointer is required.

Underground Garage shown above may provide the key to solving Tel Aviv's parking problem. It is to be found at the Delek service station at the Shuk Haklai and can accommodate about 150 cars.

Photo Gross

Low Foreign Investment

By DAN BAVLY

UNLESS a change takes place in the near future and foreign investment is again encouraged, the Investment Centre will turn into a purely Government office dealing with investments made (directly or indirectly) by the Government for the most part. In the first ten months of 1956, 127 established or projected companies received permission to invest IL47m. and $14m. Most of these sums were to be invested by a very small number of firms which received large long-term loans from the Government or a Government company. Most firms planned to invest in local currency sums not exceeding IL100,000.

The virtual stoppage of investments from abroad cannot be explained only by the Sinai Campaign and the tense security situation preceding it. This factor, however, should not be underestimated; it is most unusual for an American to invest when there is the slightest doubt about the security of his investment.

But the drop of interest in Israel as a potential area for the individual investor began long before the present tensions developed, and the reasons are quite different.

Investment in Israel in the mid-fifties is not an "inviting" proposition. The complicated system of import and other licences, the complicated tax system, the waste of time spent in dealing with Government bureaucracy and the steady inflation, are all reasons why Israel has no "investment appeal." Some of the complaints voiced by the potential or disappointed investor are valid and can be corrected, while others are also valid but cannot be changed under present economic conditions. There are often cases where investors exaggerate, but could still be encouraged, and then there are those who are really wrong in their accusations.

Special Law

To direct and aid the Investment Centre a special Law to Encourage Investment was drafted in 1951, and an amendment to it was passed last year. This Law was to grant special privileges to the foreign investor, with emphasis on special rights concerning the possibility of withdrawing invested capital, and in regard to depreciation and taxes.

The foreign investor does not get here the smooth service he would find in a country with no foreign currency controls, or where the Government has a smaller share in the economy.

The Investment Centre should have made investment easy for the foreign investor, but it has actually done nothing of the sort. It was never empowered to do so since it was thought enough for it to approve the investment and to follow up how it developed.

The Investment Centre was not authorized to be the liaison office between the investor and the Government, the office that would deal with import licences, taxes, labour relations, etc. As a result, the few investors who did come to invest in the last few years, faced a formidable body of Government officials, each of whom dealt with a minor aspect of the project over too long a period.

It is obvious that Israel lost investors that way, and also natural that the Investment Centre's main task became the granting of the benefits of the Investment Encouragement Law to local companies. Oddly enough, the change of tasks has gone unnoticed for some time.

In October alone 17 companies received permission to invest $305,000, but also IL25m. An important part of the IL25m. consisted of sums to be received from Germany through the Reparations Corporation, and are actually investments from abroad. Hardly one per cent, however, were made by foreign investors.

Decline Acknowledged

The Director of the Investment Centre, Mr. D. Stern, has said that the Government policy of participating in loans for development purposes should encourage foreign investors. He is perfectly right, and there is no reason why the Law should not be valid for local investment from Shilumim sources, and the special benefits received. Mr. Stern acknowledges the decline in the number of foreign investors, but does not see how they can be stimulated and renewed just now.

Investment Centre publications are somewhat misleading of late. The large figures approved are generally for Government or public companies, but this could not be discovered from the printed statistics. Other particulars in the publications are also lacking, as for example, more details on why approval was withdrawn from certain companies, or how large these companies were.

It is understood that Mr. Pinhas Sapir, the Minister of Commerce and Industry, is at present studying possible changes in the structure of the Investment Centre. It is to be hoped that he will remember that emphasis should be put on making investment a pleasant procedure as well as a going proposition.

Economic Auguries For Coming Year

ECONOMIC auguries for 1957 include the great strength of business in the U.S., Germany, Canada and Japan, the important measures recently taken to strengthen sterling, and the British economy and some quite promising business prospects in France, Italy, Belgium, Holland and the lesser industrial countries.

In their year-end reviews the U.S. Secretary of Commerce and the Canadian Trade Minister have officially predicted that 1957 will bring new peaks of economic prosperity in their two countries. North America's rate of expansion may slow down but considering its dominance in the world business picture it provides good enough auguries for the other industrial countries and also for the primary producing countries which supply them with raw materials and food.

Despite the Middle Eastern check to economic progress the crux of world business is the overdemand for capital goods. In particular there is the overdemand for more heavy steel tankers and the oil industry's other hardware.

Citrus Loading Norms

By A. SCHWARZ

NORMS for the loading of citrus cases from railway cars into ships in Haifa port are now being studied scientifically by a productivity engineer. The norms have been a bone of contention between the Haifa Port Workers' Organization and the United Port Services, their employees, for many years.

The port workers' output has risen since 1951 from 1,900 cases per man-day to 2,900 cases, according to their organization's secretary, Mr. E. Zuckermann.

The Port Workers' Committee is convinced that the present norm is "realistic." They emphasize the hard physical labour involved. They also believe that the high premium made workers try harder and do more, which resulted in the saving of thousands of pounds in foreign currency for demurrage.

The results of one month's research by the productivity engineer will make themselves felt only in the citrus season of 1957/58. In the meantime, work will continue on the basis of the old norm which allows for a wide margin of premium.

The conflict between port citrus workers and the Income Tax Authority on payment of income tax for premium earnings will also come to an end with the adoption of new scientific norms. The Income Tax Authorities are said to be ready to waive their claim for retroactive higher taxation of premiums for the last two years, if new and higher norms are adopted in the next season.

This season, 200 to 300 workers are to be employed on the loading of citrus, of which 90 per cent are on the permanent payroll of the port. They will get special social benefits like two days' additional paid leave after 60 days of citrus work during the season, an outfit of work clothes, and a daily addition of 500 pr. The average age of the citrus workers now employed is 35, but the Port Workers' Committee wants to lower this age and is training groups of young workers for the job.

Textile Industry Growing

By Our Economic Correspondent

IN the latest Government Year-book, the Ministry of Commerce reports on development projects for the textile industry. In cotton alone the first phase calls for the investment of IL70m. for the processing of 12,000 tons of cotton and the employment of 4,000 workers. Part of the capital needed is to come from private investors who are interested in spinning, and part from Government credits.

The figures are very impressive, especially since new investments are scarce today, expansion in agriculture is slowing down, and unemployment mounting. However, opinion in the textile industry is strongly divided as to the advisability of quick expansion.

Two Stages

The textile industry in this country has been built up in two stages. The first spinning plants were set up in the 'twenties by immigrants from Poland where the textile industry was to a considerable extent in Jewish hands. In the 'thirties new factories were set up, this time mainly by people from Czechoslovakia and Austria. In both cases the founders of the plants were versed either in the cotton and wool trade or in actual manufacturing, both spinning and weaving. Finishing plants helped to round off the activities of the industry, and the introduction of cotton growing has furnished the edifice with a foundation by supplying locally grown raw material. During recent years modern machinery has been imported, partly through German reparations. The result of this multifarious growth was the establishment of an industry which gives work to many people, both in big plants and small workshops, and which supplies the internal market with a wide variety of goods, and has already found certain markets for exports.

Three Reasons

People who favour quick expansion of the textile industry give three reasons for their point of view. They claim that we do not yet spin all the yarn we use; that the introduction of cotton growing demands expansion of its use in industry and that after the internal market is saturated we should be able to export on a scale larger than hitherto. They point out that home grown cotton has shown its quality, that we desperately need an outlet for additional agricultural production and that the textile industry in this country should be encouraged since it has experts and industrialists who know their job.

Those who oppose this view and are hesitant about new expansion admit readily that the industry has a number of excellent people who have built plants which pay their way. They also admit that the equipment of plants has recently been modernized and that Israel is now able to turn out good products efficiently. Their opposition to quick expansion is based on the following arguments. Cotton grown in Israel could probably be better used for export than for processing here. It is of a superior quality which could bring high returns once we can assure the buyer of sufficient quantities and dependable quality, while for mass production in Israel it is too costly and cannot easily be adjusted to use in our machines. They point out that cotton growing and the building up of a textile industry are not always connected. With present production costs it might be more profitable to export our cotton and to import cheap raw material for spinning.

Opponents' View

Opponents of quick expansion emphasize the fact that local plants already fill local needs. There are some exceptions to this rule. In cotton the finest yarns are not spun here yet and factories which would produce them would be able to fill a gap. In wool spinning too there are lacunae to be filled. But on the whole the local market is saturated.

The local spinner and weaver have faced competition from imports which have made life difficult for them. Experts in fashions found that the Israel public likes foreign material not only out of a certain snobbishness but because these imports do not come in bulk, but in small quantities, so that the lady who buys the material does not find her dress duplicated all over town. Local material for mass production of fashion goods is often not uniform enough in finish. When dresses have to be cut en masse the producer must be sure that there will be no flaw in the material, otherwise he will have to examine every unit. Improving finishing processes would end this difficulty, as the local material is of good quality and there is every prospect of improvements since the new finishing plants are well set up and learn the trade quickly.

Curtailing Imports

Owing to the pressure of local manufacturers the Government has now promised to curtail imports of textiles so that they should be free from too irksome competition. The expansion of the internal market will not, however, be very considerable as a result of cutting out imports. The textile industry must export.

In some cases it has been able to do so. Ata, which is a special case in the industry since it is big, efficient and more enterprising than other plants and has shown that it is possible to export cotton goods. Other export successes are based on taste and quality in fashion goods or in woolen materials with which the international market is not yet fully supplied.

Two Basic Facts

The proposals for stepping up exports must take into account two basic facts: the immense development of the cotton industry all over the world, which makes for increased competition, and the volume of the internal market.

Cotton spinning has developed rapidly everywhere. In the Middle East, Egypt and Syria are striking examples. Japan is again appearing on the international market with immense output possibilities and prices which are unmatched elsewhere. Its goods are already to be found again in Europe and in the Americas. India has developed a cotton industry and so has Hong Kong. It would therefore only be possible to export if one of three conditions could be fulfilled: our goods would have to be cheap, so as to be able to compete; (this is not the case today); they would have to be subsidized considerably, or they would have to make up in the internal market what they lose when exported.

Third Way Out

Exporters of textile goods have succeeded until now by following the third expedient. You can buy Israel goods cheaper in Europe or in the U.S. than in Tel Aviv or Haifa. That is as it should be. As long as we do not cut down production costs so as to enable us to compete abroad, the Israel consumer (through prices) and the taxpayer (by subsidies) must make up for the difference. However, there is a limit to this. In the case of subsidies the limits are the funds available to the government. In the case of high local prices, it is the ability of the local market to absorb goods.

As long as the internal market is brisk, the exporter has a chance. Once it shrinks, his position becomes difficult. He will not even be able to switch over to export premiums if he can get them because even then he will be forced to dismiss workers and reorganize his plant. In any case the volume of the internal market and its ability to pay high prices must determine export possibilities. Therefore the argument that the increased plant capacity will be used for export does not wholly fit our case.

Internal Market

Optimists among producers — and they are generally the successful exporters — point hopefully to the expected expansion of the internal market owing to immigration. There is surely a point here, but it needs some qualification. If immigration is made up of people without means, they will provide a market only for mass goods, which so far have not proved competitive abroad. Secondly, it is doubtful whether even the big immigration expected this year will prove strong enough to bear additional export expenditure.

Government authorities who approve the equipment and loans for additional textile plants believe that it is prudent to back private capital which is ready to take risks. This reason seems plausible, presuming that the capital — and not the Government — is taking the risk in the last resort.

Tel Aviv Stock Market

DECEMBER 31, 1956

Pop. Loan 1949/69 (IL10)	926
4 % Comp. Loan 58/67	[illegible]
3½% War Loan 54/59	[illegible]
3½% Gov. Bds. (large)	[illegible]
Pal. Bearer Bds. Ser. 3	[illegible]
3½% Tavel Dollar x) y)	73
4 % Reg. Sterling "A"	87½
Pal. Elec. pref. sh. (Ldn) d)	85½
6½% Bonds 57/64 f)	105½
ditto g)	105½
Keren Hayesod 6½ % Deb. 58/65 f)	[illegible]
ditto g)	[illegible]
Igreth Ltd. 6½ % Deb. 58/65 f)	95
Bk. Leumi ord sh.	140
Bearer Savings Cert.	[illegible]
A.P.B. Investmt. 4½-6½ Conv. Deb.	76½
ord. sh. "B" reg.	104½
Garit ord. sh. "B" reg.	95
Ellern's Inv. ord. d)	344
P.E.C. Inv. ord. "B" reg	96½
Gen. Mortg. Bk. ord sh.	71
Bizur 4% debs. 58/65 c)	79
Nir 5% pre. sh. d)	77½
Pasa 6% debs. 40/64 reg.	76½
"Inva" 8% debs. c)	91
Afr. Pal Inv. ord. sh.	61
I.L.D.C. ord. sh. reg. d)	81½
5% debs.	79½
Rassco 6% pref. ord. sh. d)	86
Ata ord "B" sh.	91½
6-8% con. debs. c)	84
"Kurdaneh" ord. "B"	91½
7% con. debs. 50/65 c)	75½
Heller-Dee ord. sh. reg.	790
Pal.-Brewery 8% con. debs	68½
Assis Bajerano "B" sh.	100
Nesher 6% debs. "A"	113½
Pal. Potash "A" ord. Sh.	79½
"Tova" ord. Sh.	99
Pal. Cold St. ord. sh. reg. d)	166
Delek Ord. sh. "C" d)	95½
Pal. Centr. 8% debs. c)	94
Mekorot pref. sh.	74
Jordan Exploration Co. Ord. Sh reg.	160

Notes: a) purchasing price; b) selling price; c) ex-coupons; d) ex-dividend; e) ex-right; f) linked with $; g) linked with C.o.L.; x) in % of IL1.800; y) in Prutot.

Stocks and Commodities

Quiet Year's End on Tel Aviv Market

THE last week of 1956 was quiet on the Tel Aviv Stock Exchange. Price movements were narrow and business rather restricted. Despite year-end considerations, there were no serious offers and all forthcoming material was readily absorbed. In the linked bonds section turnover was small in comparison with other weeks and prices remained practically unchanged. The sale of Defence Bonds is reported to be proceeding satisfactorily.

Some Industrials were slightly harder, which ended the year on a better tone. A conspicuous rise was that of Delek shares, which, from a low of 84 jumped to 97, but later receded by 3 points. This move, some commentators suggested, was connected with the expectation of the resumption of Russian oil shipments to Israel, which are marketed by Delek. These reports have not, however, been supported and the advance was explained by a rather technical reason, i.e. some demand meeting complete lack of offers at low levels.

If we wished to describe the 1956 highlights on the markets in a few words, we could find one positive and one negative aspect. The market has proved in 1956 as never before the enormous possibilities of absorption, and the circle of investors has been enlarged considerably. On the other hand, however, the owners of ordinary shares suffered a bitter disappointment in 1956. The list given below will show the downward movement in this section as compared with last year.

	Dec. 31, 1954	Dec. 31, 1955	Dec. 30, 1956
I.L.P.C. Registered	141	119	81
Africa-Palestine	107	84	61
Palestine Potash ordinary shares	158	121	79
Ata ordinary "B"	140	124	91
Kurdaneh	146	129	91
Assis	160	110	100
Palestine Cold Storage	273	213	166

Something should be done in 1957 to help this section.

Good End to Prosperous Year in New York

WHILE the U.S. had the best business year in its history, the stock markets closed quietly firm after a short holiday week. In 1956 the U.S., with 6½ per cent of the world's population, produced and consumed 60 per cent of the world's goods. The national product rose during the year by 6 per cent to a new peak of $412b. At the same time the C.-o.-L. Index, which had been stable for three years, advanced in 1956 by 2.4 per cent to 117.8 in comparison with the 1947/49 index.

On last Friday, the rise of I.B.M. was most conspicuous, up by $16.- to a peak of $551 and Gulf Oil up $4½ on news of an offshore well. Other oils were also better on announcements of further considerable capital investments. Dow Jones average for 30 Industrials was 496.42 as against 494.38 last week.

London Firm at Year's Close

ALTHOUGH business was restricted, the undertone remained firm on the stock market, with Industrial equities showing some gains and with Oils irregular. Reuter's Daily Index for Industrials was 197.5 compared with 195.8 last week. The £ has not slipped back after last week's revival. Transferable £ were quoted at 274.55 to 274.70 cents, while £ securities stood at 259.5 to 260.25 cents. Pound notes on the Paris unofficial market were Ffrs. 1,030.-.

Gold Steady in Paris

THE price of gold was steady in Paris with one kilobar of gold at Ffrs. 464,000.- and the sovereign at 4,280.-. The unofficial rate for the U.S. $ was 399.-. On the Bourse, Esso Standard led the upward trend in Oils, Suez Canal shares were 65,800 on Friday, after 64,100 a day earlier.

Improved Outlook for Oil

WHILE crude oil output in the U.S. reached a record level of 3,376,100 barrels daily to provide for emergency shipments to Europe, an improved outlook for Europe's and the Middle East's oil supplies is reported for January. Western Europe and the Mediterranean countries are expected to receive 2,367,000 barrels of oil daily in January as against 1,098,000 barrels, December's daily average. This oil would come from the Middle East, the U.S. Gulf Coast and South America. Not included in the estimate are the 220,000 barrels produced daily by European oil fields. Europe will accordingly be only 20 per cent short of its pre-Suez supply.

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